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IN THE SUPERIOR COURT OF WASHINGTON FOR COWLITZ COUNTY

ANDY & SUE WHITWORTH, Husband and
Wife; DOUG & STACY YEAMAN, Husband
and Wife; ROBERT & PHYLLIS NELSON,
Husband and Wife; BRENT & CONNIE
DAVIS, Husband and Wife; NICK & JOANN
SPRINGER, Husband and Wife; KARL &
MARSHA MICHELS, Husband and Wife;
DOUG & YOLANDA RAUCH, Husband and
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WINDI OLSON, Husband and Wife; DAVE &
CRISTA NEAL, Husband and Wife; FELIX
& JOLENE HARO, Husband and Wife; JEFF
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BRENDAN & ANGIE HEATH, Husband and
Wife; GILBERT ORNELAS & CAROLEE
ORNEALAS, Husband and Wife; and
CAROLEE ORNELAS, as Trustee of the
CINDY MORSE LIVING TRUST,

Plaintiffs,

v.

DAVE'S VIEW LCC, a Washington Limited
Liability Company; DAVE'S VIEW AT
MARTIN'S BLUFF HOMEOWNER'S ASSOCIATION,
a Washington non-profit corporation,
LYNDA S. WILSON and individual; and
CHAD WILSOON, a married man,

Defendants.

NO. 08-2-01650-2
EXCERPT VERBATIM
REPORT OF PROCEEDINGS

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EXCERPT VERBATIM REPORT OF PROCEEDINGS

Friday, June 17, 2011
Cowlitz County Superior Court
312 S.W. First Avenue
Kelso, WA 98626

BEFORE: THE HONORABLE JAMES E. WARME

APPEARANCES:

VINCENT L. PENTA, P.S, Attorney at Law, 1561 Eleventh Avenue,
P.O. Box 12, Longview, WA 98632; Attorney for Plaintiffs

Cassie N. Crawford, of NELLOR RETSINAS CRAWFORD, Attorneys at
Law, 1201 Main Street, P.O. Box 61918, Vancouver, WA 98666;
of Attorneys for Defendants

Prepared at the Request of Vincent L. Penta

THREE RIVERS TRANSCRIPTS
P.O. Box 515
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5 THE COURT: This has been very difficult. There's
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8 confusion about how people are going to live their life
9 in their own neighborhoods.

10 The Plaintiffs are concerned that they are
11 being assessed unfairly for Homeowner's Association dues
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15 and, that the methods, apparently the collection of the
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23 Homeowner's Association, not just by contract and
24 agreement, but by necessity.

25 I understand those claims. I understand the

1 parties' positions. I appreciate the work that the
2 lawyers have done, they certainly have made their
3 clients' positions known to me, and I understand those
4 positions.

5 Let me first talk about the architectural
6 rules. The architectural rules were adopted before
7 anybody bought, and when the people buy they are
8 required to follow the architectural rules that are in
9 the declarations and the covenants.

10 One of the Plaintiffs indicated that they
11 thought, after forming the Homeowner's Association, that
12 they could change the architectural rules. I'm not
13 finding that that's the case.

14 Architectural rules were put in to protect
15 everybody's rights, including the Developer's rights.
16 There are a couple of rules about architectural rules:
17 One, everyone seems to agree you can't change the
18 architectural requirements after the purchase; and,
19 then, things start to fall apart.

20 The architectural rules are there to protect
21 the Developer and the Homeowners. The enforcement of
22 the architectural rules is not a function of the
23 Homeowner's Association. I don't read anything in the
24 declaration that says the Homeowner's Association is
25 going to enforce the architectural rules.

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3 them has been resolved. Every one of them has been
4 resolved, as far as I can tell, by an agreement,
5 generally by compliance with the position of the
6 Developer. I haven't heard anyone say, any of the
7 parties, the Plaintiffs, that they're not bound by the
8 architectural rules.

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10 of this development is, whenever the Developer feels
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21 we'll do it. Mr. Whitworth did it. Mr. Hulse did it.
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25 assessments and the expenditures of funds, both sides

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24 That's really not the big issue in this case.
25 The big issue in this case is the Homeowner's

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2 Association, as it relates to assessments and
3 expenditures.

4 The first issue is this: Do the Homeowners
5 have a right to have a say in the amount of the
6 assessments and the expenditures made in the name of the
7 Homeowner's Association? If they do, when did that
8 right arise; and, if they don't when will that arise in
9 the future? First issue.

10 This is how I'm resolving the issue. The
11 right of the Homeowners to form the archi -- the
12 Homeowner's Association was January 6th of '06. The
13 declarations are very clear -- they're very clear -- the
14 Homeowner's Association will be formed the later of two
15 things: twenty-four (24) months after the declaration,
16 or after thirty-three (33) of the thirty-five (35) lots
17 are sold. That's what it says. That's Mr. Wilson's
18 declaration, it was drawn up by Mr. Wilson, and it says
19 "Phase I." It's very clear it says, "Phase I."

20 He says he reserves the right to add -- to add
21 -- reserves the right to add further developments to the
22 Homeowner's Association. I don't see that as a
23 conflict. When Phase II gets done, Phase II Homeowner's
24 Association can be added to Phase I Homeowner's
25 Association, and they'll have one Homeowner's

1 Association.

2 What the declaration does not say, and which
3 Mr. Wilson thinks it says, is: I can extend the period
4 during which the Homeowner's Association is not in
5 control, if I start developing Phase II or Phase III or
6 Phase IV or Phase V. I reserve the right to extend it,
7 apparently indefinitely. It does not say that. In
8 fact, when he filed his declarations for Phase II, the
9 declarations say they apply to Phase II. You've got a
10 whole different set of rules for Phase II.

11 Now, Mr. Wilson says that rule -- that ruling
12 wrests him of control and endangers his investment. He
13 says the Homeowners don't have the ability to understand
14 what's going on in the development, and to protect their
15 own interest; that he's the one that needs to protect
16 not only his interest, but their interest. I do not
17 find that argument to be persuasive. The people in the
18 Homeowner's Association here, the Plaintiffs here, are
19 educated, knowledgeable, experienced homeowners. Some
20 of them live in other developments, or have lived, where
21 there are homeowner's associations. They have been
22 involved in homeowner associations.

23 The Homeowner's Association exists to do two
24 things: Collect assessments; and provide for the
25 maintenance of Phase I. That's what it exists for. It

1 doesn't exist to change the architectural rules. It
2 doesn't exist to change the plats. It doesn't exist to
3 change compliance with the Clean Water Act and the Clean
4 Air Act and the Fire Department regulations, or anything
5 else. To collect assessments and then spend the money
6 as it relates to maintaining Phase I. There's no reason
7 that they're not capable of doing that. You have the
8 right to own a -- form a Homeowner's Association,
9 according to the terms of the declaration of January 6th,
10 '06.

11 Now, the assessments. The Homeowner's
12 Association is governed by RCW 64.38. The Homeowner's
13 Association has certain duties and responsibilities, all
14 of which have to do with maintaining the development,
15 maintaining the Homeowner's Association grounds, which
16 they must do, in good faith, in working with Mr. Wilson.
17 If there is any spite involved in this, and they decline
18 to participate in their appropriate share, or to let the
19 premises deteriorate, I think there's liability for the
20 Homeowner's Association.

21 With regard to the Homeowner's Association,
22 the rule is very clear: The Association, or it's
23 Managing Agent, shall keep financial or other records
24 sufficiently detailed to enable the Association to fully
25 declare to each Owner the true statement of it's finance

1 -- financial status. All financial and other records of
2 the Association, including, but not limited to, checks,
3 bank records, and invoices, in whatever form they are
4 kept, are the property of the Association. Each
5 Association Managing Agent shall turn over all the
6 original books and records to the Association
7 immediately upon termination of management relationship
8 with the Association.

9 Mr. Wilson has not complied with this statute.
10 Mr. Wilson has said -- Mr. Hintz said it, too -- "I am
11 the Association. My wife and my mother and I are the
12 Association. We will make all the decisions. We will
13 determine the amount of assessments, and we'll give you
14 such financial information as we think you need;" and
15 then he said, "And, you don't need any." With regard --
16 with regard -- as an example, he owns a lot in Phase I.
17 Has he ever paid an assessment? "No, I don't pay
18 assessments. I do work, instead." I don't know that
19 he's ever accounted for any of the work he's done. He
20 says he's done a lot of work. I don't know but that he
21 has, but he's never accounted for it in any way.

22 With regard to the maintenance, he says, "I do
23 the work. I do the maintenance work, and then I take
24 Association funds and I pay myself." That's what he
25 says to Homeowner's. That's what he said to me. "Don't

1 worry about it, I charge less than anybody else. I
2 charge less than anybody else. I'm giving you a break.
3 Don't ask to see the books. Don't ask me to account for
4 it." That's so contrary to the statute. The duties of
5 Mr. Wilson are the highest duties of loyalty to this
6 Association. They're the same as the Director of any
7 non-profit organization, but he has not -- has not
8 accounted for, in any way that I see, the full records
9 of the Homeowner's Association. He never has. The
10 records that he gives us now are not the full records of
11 the Homeowner's Association.

12 He has Profit and Loss Statements, they're not
13 audited. There are some checks, but not all the checks.
14 There are no invoices in support of the checks. There's
15 no details of the checks he pays to himself. He hasn't
16 done it. Then, he has also, in my judgment, clearly --
17 clearly invaded Homeowner's Association funds to pay his
18 own costs, which he's not allowed to do.

19 The hookup at the pond is a Developer's
20 capitol expense, and not the responsibility of the
21 Homeowner's Association. The water work was incomplete.
22 It required a hookup to work, and when he paid the
23 hookup, he paid the costs on to the Homeowner's
24 Association. Not an appropriate expense. There may be
25 other -- and I am not going into the details, because I

1 don't think I have all the detailed information -- Mr.
2 Penta has suggested that there are other expenses paid
3 out of the Homeowner's Association that are Mr. Wilson's
4 personal expenses, or the Development's personal
5 expenses. For instance, the last three checks to Mr.
6 Hintz.

7 Mr. Wilson's attitude -- well, the argument
8 made by Ms. Crawford -- Mr. Hintz was working for the
9 Homeowner's Association, and if Mr. Wilson paid his
10 salary most of the time, having the Homeowner's
11 Association pay it at the end is simply a wash, except
12 that's not correct. He never worked for the Homeowner's
13 Association, he worked for Mr. Wilson.

14 So, with regard to the -- and, then, the
15 assessments. This is the rule with regard to the
16 Homeowner's Association and the books: There's -- there
17 will be a meeting of the Homeowners of Phase I. There
18 is no issue about the legitimacy of a Homeowner's
19 Association that's going to be formed. Anybody who
20 wants to be involved in the Homeowner's Association
21 should attend the meeting. The present Homeowner's
22 Association will serve the notices. The costs can come
23 out of the fund of the present Homeowner's Association.
24 There will be a new meeting and a new Homeowner's
25 Association.

1 When the new Homeowner's Association is
2 formed, all of the financial records of the -- of the
3 first Homeowner's Association, from the very first
4 assessment to the present time, all of the financial
5 records of the second Homeowner's Association, from the
6 time it was formed until the present time, will be
7 turned over to the new Homeowner's Association. The new
8 Homeowner's Association can per -- if they elect to do
9 so, can require an audit. An audit. And the reason --
10 I don't know whether they're interested or not, but the
11 issue has been raised significantly -- significantly
12 raised that Mr. Wilson has not kept a clear line between
13 the Homeowner's Association and his own expenses, and
14 that can be audited, and an appropriate determination
15 made after that, if they choose so -- choose to so do.

16 That Homeowner's Association is one hundred
17 percent (100%) responsible for the maintenance of Phase
18 I, and all parts of Phase I, except that portion of the
19 main road which goes to -- also serves II and III. The
20 main road through Phase I, to the extent that it serves
21 II and III, the expenses for Phase II and Phase III,
22 even where it is in Phase I, where it crosses in to
23 Phase I, I have to make a determination of the
24 appropriate allocation. I looked at this, IV and V pass
25 out of this equation, they've expired, so we have three

1 phases that are still viable.

2 Phase I will be responsible for forty percent
3 (40%) -- forty percent (40%) of all the common expenses
4 in common areas. Expenses. The hooking up of the water
5 feature is not an expense, it's a capitol improvement.
6 But, they are responsible for forty percent (40%) of the
7 cost of maintaining and repairing the water feature.
8 The water bills, electricity, maintenance. The
9 Developer is responsible for the other sixty percent
10 (60%) because sixty -- he gets sixty percent (60%) of
11 the benefit. He's responsible for the maintenance --
12 what is the name of the road, the entry road?

13 MR. PENTA: Dave's View.

14 THE COURT: Dave's View. He's responsible for
15 sixty percent (60%) of the cost of maintaining Dave's
16 View in Phase I, and none of the other roads.

17 There are, and never have been, any rules for
18 enforcement assessments. The assessments -- assessments
19 imposed by Mr. Wilson after January 1, '06, are not
20 appropriate. He did some self-help in trying to collect
21 his assessments. He filed these Notices, which everyone
22 treated as a Lien. He knew they would be treated as a
23 Lien. He was not entitled to do that. There's nothing
24 in the CCRs, there's nothing in any declaration that
25 says the enforcement of the assessments can be by Notice

1 filed with County Auditor. Those are slanders of title.

2 There are two people who were damaged by the
3 slander of title. Ms. Haro. Ms. Haro brought in the
4 papers, and it's interesting -- I'll tell you this:
5 There was an objection of bringing in the papers. I
6 admitted the papers, because the testimony was that she
7 had -- originally had an interest rate at six point
8 seven percent (6.7%) and then refinancing was five point
9 one two five (5.125). What she said on the paper (sic),
10 no, I didn't have six point seven (6.7), I had five
11 point eight two five (5.815) really mitigated the
12 admission of those documents -- mitigated Mr. Wilson's
13 damages.

14 I agree with Mr. Penta's analysis of damages.
15 Nine hundred and --

16 MR. PENTA: Ninety-seven fifty.

17 THE COURT: She has suffered those damages, because
18 he -- he clouded her title. He intended to cloud her
19 title, and he didn't have the right to do that.

20 All right. Mr. Hulse. The same is true for
21 Mr. Hulse. He did not have a right -- he was trying to
22 sell, and Mr. Wilson is slapping Liens that he doesn't
23 have a right to file on that property.

24 The four hundred (400) -- four thousand, five
25 hundred dollars (\$4,500) in escrow will be released.

1 Mr. Hulse will have a judgment for twelve percent (12%)
2 from the day that it was posted until the day that it's
3 released. Mr. Hulse does not incur any legal fees. The
4 landscaping that he agreed to, he agreed to, and that
5 dies with all the others.

6 The Plaintiffs have prevailed substantially,
7 they are entitled to their attorney's fees.

8 UNIDENTIFIED FEMALE: Oh yes. Oh, yes.

9 THE COURT: So, you need to talk to the Court
10 Administrator about a time for entering a final order.

11 We are adjourned.

12
13 (Proceedings conclude at 3:42 p.m.)
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CERTIFICATE

I, Melissa Firth, do hereby certify:

That I am a court-approved transcriber for the State of Washington, County of Cowlitz;

That the annexed and foregoing transcript of digitally recorded proceedings was transcribed by me;

I further certify that I am not a relative or employee or attorney or counsel of any of the parties to said action, or a relative or employee of any such attorney or counsel, and that I am not financially interested in the said action or the outcome thereof;

I further certify that the transcript is a true and correct record of all audible portions of the recorded testimony, including questions and answers, and all objections, motions and exceptions of counsel made and taken at the time of the foregoing proceedings. Areas of the record which were not decipherable for any reason are noted as [inaudible].

Dated this _____ day of June, 2011.

THREE RIVERS TRANSCRIPTS
By Melissa J. Firth
P.O. Box 515
Castle Rock, WA 98611
(360) 749-1754

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9 the future? First issue.

10 This is how I'm resolving the issue. The
11 right of the Homeowners to form the archi -- the
12 Homeowner's Association was January 6th of '06. The
13 declarations are very clear -- they're very clear -- the
14 Homeowner's Association will be formed the later of two
15 things: twenty-four (24) months after the declaration,
16 or after thirty-three (33) of the thirty-five (35) lots
17 are sold. That's what it says. That's Mr. Wilson's
18 declaration, it was drawn up by Mr. Wilson, and it says
19 "Phase I." It's very clear it says, "Phase I."

20 He says he reserves the right to add -- to add
21 -- reserves the right to add further developments to the
22 Homeowner's Association. I don't see that as a
23 conflict. When Phase II gets done, Phase II Homeowner's
24 Association can be added to Phase I Homeowner's
25 Association, and they'll have one Homeowner's

1 Association.

2 What the declaration does not say, and which
3 Mr. Wilson thinks it says, is: I can extend the period
4 during which the Homeowner's Association is not in
5 control, if I start developing Phase II or Phase III or
6 Phase IV or Phase V. I reserve the right to extend it,
7 apparently indefinitely. It does not say that. In
8 fact, when he filed his declarations for Phase II, the
9 declarations say they apply to Phase II. You've got a
10 whole different set of rules for Phase II.

11 Now, Mr. Wilson says that rule -- that ruling
12 wrests him of control and endangers his investment. He
13 says the Homeowners don't have the ability to understand
14 what's going on in the development, and to protect their
15 own interest; that he's the one that needs to protect
16 not only his interest, but their interest. I do not
17 find that argument to be persuasive. The people in the
18 Homeowner's Association here, the Plaintiffs here, are
19 educated, knowledgeable, experienced homeowners. Some
20 of them live in other developments, or have lived, where
21 there are homeowner's associations. They have been
22 involved in homeowner associations.

23 The Homeowner's Association exists to do two
24 things: Collect assessments; and provide for the
25 maintenance of Phase I. That's what it exists for. It

1 doesn't exist to change the architectural rules. It
2 doesn't exist to change the plats. It doesn't exist to
3 change compliance with the Clean Water Act and the Clean
4 Air Act and the Fire Department regulations, or anything
5 else. To collect assessments and then spend the money
6 as it relates to maintaining Phase I. There's no reason
7 that they're not capable of doing that. You have the
8 right to own a -- form a Homeowner's Association,
9 according to the terms of the declaration of January 6th,
10 '06.

11 Now, the assessments. The Homeowner's
12 Association is governed by RCW 64.38. The Homeowner's
13 Association has certain duties and responsibilities, all
14 of which have to do with maintaining the development,
15 maintaining the Homeowner's Association grounds, which
16 they must do, in good faith, in working with Mr. Wilson.
17 If there is any spite involved in this, and they decline
18 to participate in their appropriate share, or to let the
19 premises deteriorate, I think there's liability for the
20 Homeowner's Association.

21 With regard to the Homeowner's Association,
22 the rule is very clear: The Association, or it's
23 Managing Agent, shall keep financial or other records
24 sufficiently detailed to enable the Association to fully
25 declare to each Owner the true statement of it's finance

1 -- financial status. All financial and other records of
2 the Association, including, but not limited to, checks,
3 bank records, and invoices, in whatever form they are
4 kept, are the property of the Association. Each
5 Association Managing Agent shall turn over all the
6 original books and records to the Association
7 immediately upon termination of management relationship
8 with the Association.

9 Mr. Wilson has not complied with this statute.
10 Mr. Wilson has said -- Mr. Hintz said it, too -- "I am
11 the Association. My wife and my mother and I are the
12 Association. We will make all the decisions. We will
13 determine the amount of assessments, and we'll give you
14 such financial information as we think you need;" and
15 then he said, "And, you don't need any." With regard --
16 with regard -- as an example, he owns a lot in Phase I.
17 Has he ever paid an assessment? "No, I don't pay
18 assessments. I do work, instead." I don't know that
19 he's ever accounted for any of the work he's done. He
20 says he's done a lot of work. I don't know but that he
21 has, but he's never accounted for it in any way.

22 With regard to the maintenance, he says, "I do
23 the work. I do the maintenance work, and then I take
24 Association funds and I pay myself." That's what he
25 says to Homeowner's. That's what he said to me. "Don't

1 worry about it, I charge less than anybody else. I
2 charge less than anybody else. I'm giving you a break.
3 Don't ask to see the books. Don't ask me to account for
4 it." That's so contrary to the statute. The duties of
5 Mr. Wilson are the highest duties of loyalty to this
6 Association. They're the same as the Director of any
7 non-profit organization, but he has not -- has not
8 accounted for, in any way that I see, the full records
9 of the Homeowner's Association. He never has. The
10 records that he gives us now are not the full records of
11 the Homeowner's Association.

12 He has Profit and Loss Statements, they're not
13 audited. There are some checks, but not all the checks.
14 There are no invoices in support of the checks. There's
15 no details of the checks he pays to himself. He hasn't
16 done it. Then, he has also, in my judgment, clearly --
17 clearly invaded Homeowner's Association funds to pay his
18 own costs, which he's not allowed to do.

19 The hookup at the pond is a Developer's
20 capitol expense, and not the responsibility of the
21 Homeowner's Association. The water work was incomplete.
22 It required a hookup to work, and when he paid the
23 hookup, he paid the costs on to the Homeowner's
24 Association. Not an appropriate expense. There may be
25 other -- and I am not going into the details, because I

1 don't think I have all the detailed information -- Mr.
2 Penta has suggested that there are other expenses paid
3 out of the Homeowner's Association that are Mr. Wilson's
4 personal expenses, or the Development's personal
5 expenses. For instance, the last three checks to Mr.
6 Hintz.

7 Mr. Wilson's attitude -- well, the argument
8 made by Ms. Crawford -- Mr. Hintz was working for the
9 Homeowner's Association, and if Mr. Wilson paid his
10 salary most of the time, having the Homeowner's
11 Association pay it at the end is simply a wash, except
12 that's not correct. He never worked for the Homeowner's
13 Association, he worked for Mr. Wilson.

14 So, with regard to the -- and, then, the
15 assessments. This is the rule with regard to the
16 Homeowner's Association and the books: There's -- there
17 will be a meeting of the Homeowners of Phase I. There
18 is no issue about the legitimacy of a Homeowner's
19 Association that's going to be formed. Anybody who
20 wants to be involved in the Homeowner's Association
21 should attend the meeting. The present Homeowner's
22 Association will serve the notices. The costs can come
23 out of the fund of the present Homeowner's Association.
24 There will be a new meeting and a new Homeowner's
25 Association.

1 When the new Homeowner's Association is
2 formed, all of the financial records of the -- of the
3 first Homeowner's Association, from the very first
4 assessment to the present time, all of the financial
5 records of the second Homeowner's Association, from the
6 time it was formed until the present time, will be
7 turned over to the new Homeowner's Association. The new
8 Homeowner's Association can per -- if they elect to do
9 so, can require an audit. An audit. And the reason --
10 I don't know whether they're interested or not, but the
11 issue has been raised significantly -- significantly
12 raised that Mr. Wilson has not kept a clear line between
13 the Homeowner's Association and his own expenses, and
14 that can be audited, and an appropriate determination
15 made after that, if they choose so -- choose to so do.

16 That Homeowner's Association is one hundred
17 percent (100%) responsible for the maintenance of Phase
18 I, and all parts of Phase I, except that portion of the
19 main road which goes to -- also serves II and III. The
20 main road through Phase I, to the extent that it serves
21 II and III, the expenses for Phase II and Phase III,
22 even where it is in Phase I, where it crosses in to
23 Phase I, I have to make a determination of the
24 appropriate allocation. I looked at this, IV and V pass
25 out of this equation, they've expired, so we have three

1 phases that are still viable.

2 Phase I will be responsible for forty percent
3 (40%) -- forty percent (40%) of all the common expenses
4 in common areas. Expenses. The hooking up of the water
5 feature is not an expense, it's a capitol improvement.
6 But, they are responsible for forty percent (40%) of the
7 cost of maintaining and repairing the water feature.
8 The water bills, electricity, maintenance. The
9 Developer is responsible for the other sixty percent
10 (60%) because sixty -- he gets sixty percent (60%) of
11 the benefit. He's responsible for the maintenance --
12 what is the name of the road, the entry road?

13 MR. PENTA: Dave's View.

14 THE COURT: Dave's View. He's responsible for
15 sixty percent (60%) of the cost of maintaining Dave's
16 View in Phase I, and none of the other roads.

17 There are, and never have been, any rules for
18 enforcement assessments. The assessments -- assessments
19 imposed by Mr. Wilson after January 1, '06, are not
20 appropriate. He did some self-help in trying to collect
21 his assessments. He filed these Notices, which everyone
22 treated as a Lien. He knew they would be treated as a
23 Lien. He was not entitled to do that. There's nothing
24 in the CCRs, there's nothing in any declaration that
25 says the enforcement of the assessments can be by Notice

1 filed with County Auditor. Those are slanders of title.

2 There are two people who were damaged by the
3 slander of title. Ms. Haro. Ms. Haro brought in the
4 papers, and it's interesting -- I'll tell you this:
5 There was an objection of bringing in the papers. I
6 admitted the papers, because the testimony was that she
7 had -- originally had an interest rate at six point
8 seven percent (6.7%) and then refinancing was five point
9 one two five (5.125). What she said on the paper (sic),
10 no, I didn't have six point seven (6.7), I had five
11 point eight two five (5.815) really mitigated the
12 admission of those documents -- mitigated Mr. Wilson's
13 damages.

14 I agree with Mr. Penta's analysis of damages.
15 Nine hundred and --

16 MR. PENTA: Ninety-seven fifty.

17 THE COURT: She has suffered those damages, because
18 he -- he clouded her title. He intended to cloud her
19 title, and he didn't have the right to do that.

20 All right. Mr. Hulse. The same is true for
21 Mr. Hulse. He did not have a right -- he was trying to
22 sell, and Mr. Wilson is slapping Liens that he doesn't
23 have a right to file on that property.

24 The four hundred (400) -- four thousand, five
25 hundred dollars (\$4,500) in escrow will be released.

1 Mr. Hulse will have a judgment for twelve percent (12%)
2 from the day that it was posted until the day that it's
3 released. Mr. Hulse does not incur any legal fees. The
4 landscaping that he agreed to, he agreed to, and that
5 dies with all the others.

6 The Plaintiffs have prevailed substantially,
7 they are entitled to their attorney's fees.

8 UNIDENTIFIED FEMALE: Oh yes. Oh, yes.

9 THE COURT: So, you need to talk to the Court
10 Administrator about a time for entering a final order.

11 We are adjourned.

12
13 (Proceedings conclude at 3:42 p.m.)
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CERTIFICATE

I, Melissa Firth, do hereby certify:

That I am a court-approved transcriber for the State of Washington, County of Cowlitz;

That the annexed and foregoing transcript of digitally recorded proceedings was transcribed by me;

I further certify that I am not a relative or employee or attorney or counsel of any of the parties to said action, or a relative or employee of any such attorney or counsel, and that I am not financially interested in the said action or the outcome thereof;

I further certify that the transcript is a true and correct record of all audible portions of the recorded testimony, including questions and answers, and all objections, motions and exceptions of counsel made and taken at the time of the foregoing proceedings. Areas of the record which were not decipherable for any reason are noted as [inaudible].

Dated this _____ day of June, 2011.

THREE RIVERS TRANSCRIPTS
By Melissa J. Firth
P.O. Box 515
Castle Rock, WA 98611
(360) 749-1754