

**BYLAWS
OF
HEIGHTS AT MEADOW SPRINGS
HOMEOWNERS ASSOCIATION**

**Article 1
NAME AND LOCATION**

The name of the association is HEIGHTS AT MEADOWS SPRINGS HOMEOWNERS ASSOCIATION, herein referred to as the "Association." The principal office of the Association shall be located in Benton County, Washington and meetings of the Members and Directors may be held at such places within said County as may be designated by the Board of Directors.

**Article 2
DEFINITIONS**

2.1 Except as otherwise specified herein, the definition of any word used in these Bylaws shall be the same as such term is defined in the Declaration of Covenants, Conditions and Restrictions recorded with the County Recorder's Office in connection with the property more particularly described in Exhibit A attached hereto.

2.2 "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and Articles of Incorporation.

Article 3 MEETINGS OF MEMBERS

3.1 Annual Meetings: There shall be an annual meeting of the Owners at such reasonable place, time and date as may be designated by written notice of the Board delivered to the Owners no less than ten (10) days or more than fifty (50) days prior to the date fixed for said meeting. The annual meeting shall be for the purpose of electing Directors and transacting such other business as may properly come before the meeting. The failure to hold a timely annual meeting shall not affect the validity of any corporate action.

3.2 Special Meetings: Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Owners, or for any other reasonable purpose. Such meeting shall be called by written notice of the president of the Association upon the decision of the president, or after request signed by a majority of a quorum of the Board, or by written request by the Owners having at least forty percent (40%) of the total votes, which notice shall be delivered not less than ten (10) days or more than fifty (50)

days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting and, in general, the matters to be considered.

3.3 Quorum Requirements for Association Meeting: Any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote of fifty-one percent (51%) of the membership present and voting at a duly called and held meeting of the membership unless another percentage is specifically prescribed by a provision of the Declaration, the Bylaws or the Articles.

3.4 Proxies: At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by a Member of his Lot.

3.5 Voting Owner: There shall be one (1) voting representative of each Lot. Declarant shall be Considered an "Owner" as that term is used herein, and shall be the voting representative, with respect to any Lot or Lots owned by Declarant. If a person (including Declarant) wins more than one (1) Lot he shall have the votes for each Lot owned. The voting representative of a Lot shall be designated by the Owner or Owners of each Lot by written notice to the Board and need not be an Owner. The designation shall be revocable at any time by actual notice to the Board from a party having an ownership interest in a Lot, or by actual notice to the Board of the death or judicially declared incompetence of any party with ownership interest in the Lot. This power of designation and revocation may be exercised by the guardian of a Lot Owner and the administrators or executors of an Owner's estate. Where no designation is made, or where designation has been made but is revoked and no new designation has been made, the voting representative of each Lot shall be the group composed of all of its Owners.

3.6 Joint Owner Disputes: The vote for any Lot must be cast as a single vote, and fractional votes shall not be allowed. In the event the joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. In the event more than one (1) vote is cast for that particular Lot, none of said votes shall be counted and said votes shall be deemed void.

3.7 Pledged Votes: If an Owner is in default under a first Mortgage on the Lot for ninety (90) consecutive days or more, the Mortgage thereof (as defined in the Declaration) shall automatically be authorized to declare at any time thereafter that the Lot Owner had pledged his or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, or in the event the record Owner or Owners have otherwise pledged their vote regarding special matters to a Mortgagee under a duly recorded Mortgage or to the vendor under duly recorded real estate contract, only the vote of such Mortgagee or vendor will be recognized in regard to the special matters upon which the vote is so pledged. Amendments to this subsection shall only be effective upon the written consent of all the voting Owners and their respective Mortgagees and vendors, if any.

Article 4 NOMINATION AND ELECTION OF DIRECTORS

4.1 Number of Directors – Term of Office: The affairs of the Association shall be managed by a Board of Directors, who must be owners of property within the subdivision. The Board shall consist of a minimum of five (5) Directors. At each annual meeting the members shall elect to a three (3) year term the number of Directors equal to the number whose term shall expire that year. The number of Directors may be changed by Amendment of these Bylaws. The new number must be sufficient to adequately handle the affairs of the Association.

4.2 Nomination: When Members of the Board of Directors are to be elected at an annual meeting and not by mail, candidates shall be nominated by a Nominating Committee. Nominations may also be made from the floor at an annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for the election of the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

4.3 Election: Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Each Director shall serve the term for which he is elected and until his successor is elected and qualified.

4.4 Vacancies: Vacancies in the elected Board caused by any reason other than removal of a Board Member by a vote of the Association shall be filled by vote of the majority of the remaining Board Members, even though they may constitute less than a quorum. Each person so appointed shall serve as a Board Member until a new Director is elected at the next annual or special meeting of the Association. If the term of that Directorship has not expired, a Director shall be elected only for the unexpired term.

4.5 Removal of Board Members: Any one (1) or more Board Members may be removed with or without cause by a majority of the Lot Owners, at any regular meeting or special meeting called for that purpose. A successor may then and there be elected to fill the vacancy thus created. Any Board Member whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. Notwithstanding the above, until the Class B Membership ceases, only Declarant shall have the right to remove a Board Member.

4.6 Compensation: No director shall receive compensation for any service he may render to the Association. However, active board members as of NOVEMBER FIRST (01) of each year, shall have their yearly HOA dues waved for the following year. (Heights at Meadow Springs HOA dues only). Directors may also be reimbursed for actual expenses incurred in the performance of their duties.

Article 5 MEETING OF DIRECTORS

5.1 Regular Meetings: Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board Members. At least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Board Member, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

5.2 Special Meetings: Special meetings of the Board may be called by the President on ten (10) days' notice to each Board Member, given personally, by mail, telephone or telegraph. Said notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in a time-like manner and on like notice on the written request of at least two (2) Board Members.

5.3 Quorum: At all meetings of the Board, a majority thereof shall constitute a quorum for the transaction of business. The acts of the majority of the Board Members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time. An adjournment for lack of a quorum shall be to a date not more than sixty (60) days from the original meeting date. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

5.4 Waiver of Notice: Before, at or after any meeting of the Board, any Board Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board Member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.5 Action Taken Without a Meeting: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though at a meeting of the Directors.

Article 6 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors shall have the powers and duties necessary for the administration of the affairs thereof consistent with the purposes and objects set forth in the Articles of Incorporation, Declaration, and Bylaws, and pursuant to the laws of the State of Washington. Without prejudice to the generality of the foregoing, the Board of Directors shall have the power and duty:

6.1 To adopt and publish rules and regulations consistent with the Articles of Incorporation, Declaration, and Bylaws, governing Common Area and Property, and other matters of mutual concern to the Lot Owners, and to establish penalties for the infraction thereof.

6.2 To exercise for the Association all powers, duties, and authority vested in or delegated to this Association not reserved to the Membership by the provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

6.3 To declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

6.4 To employ and remove at pleasure all officers, agents, employees, independent contractors, or such other persons as they deem necessary, prescribe their duties and fix their compensation.

6.5 To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting thereof.

6.6 To supervise all officers, agents, and employees of this association, and to see that their duties are properly performed.

6.7 As more fully provided in the Declaration, to set the annual budget and allocate the assessment rate; provided, however, the assessment rate is subject to all terms and conditions of the Declaration.

6.8 To procure and maintain liability insurance and hazard insurance on property owned by the Association as it may deem appropriate.

6.9 To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

6.10 To cause the Common Areas and any furniture, fixture, and mechanical equipment thereof to be administered, maintained, repaired, rebuilt, or replaced in accordance and

consistent with all applicable laws, and with the provisions of the Articles of Incorporation of the Association, the Declaration, and these Bylaws.

6.11 The Board of Directors shall not have power to borrow money on behalf of the Associate in excess of one hundred percent (100%) of its income for the previous fiscal year unless authorized by a two-thirds (2/3) vote of the Members of the Association at a meeting of the Members.

6.12 To acquire by conveyance, contract, lease, or otherwise, property and rights of occupancy of property for the common benefit of the Members of the Association; to improve said property by the erection of structures and facilities, all upon such terms and subject to such rules and regulations as the Directors may determine.

6.13 In the name of the Association to enforce and foreclose the lien of assessments of the Association as may be necessary for collection thereof.

6.14 To designate representatives to serve on the Architectural Control Committee after the Declarant no longer appoints them, and to enforce the provisions of restrictive covenants and declarations pertaining to the lands served by this Association, by the institution of litigation, or otherwise.

6.15 To contract with a property manager to exercise the authority of the Board between formal meetings of the Board, provided that all such authority so exercised shall be reported to the next meeting of the Board and submitted for approval by the Board; failing such approval, such actions of the manager shall not be effective after the meeting of the Board of Directors at which considered, except to the extent that formal continuing undertakings may have been made on behalf of the Association.

6.16 The Board of Directors shall not make political or charitable donations of the Association funds or property.

6.17 The Board of Directors is not authorized to adopt or enforce discriminatory rules or regulations or restrictions, nor take any action based on race, religion, national origin, or sex.

6.18 To file Association tax returns and/or annual applications for tax-exempt status.

Article 7 OFFICERS AND THEIR DUTIES

7.1 Enumeration of Offices: The offices of this Association shall be a president and vice president, who shall at all times be Members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

7.2 Election of Officers: The election of officers shall take place at the first (1st) meeting of the Board of Directors following each annual meeting of the Members.

7.3 Term: The officers of this association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

7.4 Special Appointments: The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such a period, have such authority, and perform such duties as the Board may, from time to time, determine.

7.5 Resignation and Removal: Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time upon giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.6 Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

7.7 Multiple Offices: The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 7.4.

7.8 Duties: The duties of the officers are as follows:

7.8.1 President: The president shall preside at all meetings of the Board of Directors and of the Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, Mortgages, deeds and other written instruments; and shall co-sign all checks and promissory notes.

7.8.2 Vice President: The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

7.8.3 Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

7.8.4 Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the

Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare and distribute to the Members such financial statements as the Board shall be required to prepare and distribute from time to time pursuant to the Declaration.

7.8.5 Assistant Secretary: The Board may appoint one (1) or more assistant secretaries to perform all of the duties of the secretary in the absence of the secretary.

7.8.6 Assistant Treasurer: The Board may appoint one (1) or more assistant treasurers to perform all of the duties of the treasurer in the absence of the treasurer.

Article 8 COMMITTEES

The Board shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purpose.

Article 9

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND REQUIRED PROXIES

Registration of Owner Names: The Secretary shall maintain a registry of Owners based on information received from the Declarant, the County assessor's records, and notices received from the Owners. Within sixty (60) days prior to mailing the Notice of Annual Assessments, the Secretary shall update the list of Owners and their mailing addresses from the County Assessor's records or a private service furnishing the same information. Each Owner shall be responsible for sending written notice to the Association providing the current name and mailing address of the Owner and the effective date of any change. Said notice shall be signed by all the Owners of a Lot or by such persons as are authorized by law to represent the interest of the Owners thereof.

Article 10 AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

Article 11 CONFLICT WITH DECLARATION, ARTICLES OR LAW

These Bylaws are intended to comply with and supplement the requirements of the Declaration and the Articles of Incorporation for the Association. If any of these Bylaws conflict with the provisions of Title 24 RCW, the Articles or the Declaration, the provisions of Title 24 RCW, the Declaration, and the Articles will apply.

Article 12
MISCELLANEOUS

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first (1st) fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, the Board of Directors has hereunto set its hand this ____day of February, 2014.

Heights at Meadow Springs Homeowners Association

By:

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