

BY-LAWS
OF
LYNDEHURST HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION. The name of the Corporation is LYNDEHURST HOMEOWNERS ASSOCIATION hereinafter referred to as the "Association". The principal office of the Association shall be located at:

4224 Waller Road
Tacoma, WA 98443

But meetings of Members and Trustees may be held at such places within Pierce County, Washington, as may be designated by the Board of Trustees.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean LYNDEHURST HOMEOWNERS ASSOCIATION and its successors and assigns.

Section 2. "Properties" shall mean that described and platted on the recorded plat of LYNDEHURST.

Section 3. "Lot(s)" are the Lots shown as numbered in said plat.

Section 4. "Member" shall mean every person or entity who holds a membership in the Association.

Section 5. "Owner" shall mean the record owner or contract purchaser under a recorded Real Estate Contract, whether one or more persons or entities and specifically including the developer, of the fee simple title to any Lot or Lots but shall not include a contract seller or mortgagee.

Section 6. The Term "real estate contract" shall not include an earnest money receipt and agreement or option agreement and the terms "contract seller" and "contract purchaser" shall not include the parties to any such earnest money receipt and agreement.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to LYNDEHURST HOMEOWNERS ASSOCIATION as recorded in Pierce County.

Section 8. "Declarant" shall mean and refer to
TUCCI & SONS, INC.

Section 9. "Map" means the plat map of LYNDEHURST
as recorded under Pierce County Records Number 9009060037.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person or entity holding title, or an interest therein, as contract purchaser or record owner of a fee interest in any Lot or Lots shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Lot shall have more than one (1) membership. Membership shall be appurtenant to and may not be separated from ownership of or the contract purchaser's interest in any Lot. Upon transfer of the fee interest to, or upon the execution and delivery of a contract for the sale of (or of an assignment of a contract purchaser's interest in) any Lot, membership in the Association shall ipso facto be deemed to be transferred to the grantee, or contract purchaser, as the case may be. Ownership of or a contract purchaser's interest in any Lot shall be the sole qualification for membership.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A: Class members shall be all those owners as defined in Section 1. with the exception of the developer. Class A members shall be entitled to one (1) vote for each lot in which they hold the interests required for membership in Section 1. When more than one person holds such interest or interests in the lot, all such persons shall be members and the vote for such lot shall be exercised as they among themselves determine but in no event shall more than one vote be cast with respect to any such lot.

Class B: Class B members shall be the Developer. The Class B member shall be entitled to three votes for each lot in which it holds the interest required for membership by Section 1 provided that Class B membership shall cease and become converted to Class A membership at such time as _____ of the lots of plat of LYNDEHURST shall have been sold. At such time, the Class B member shall be deemed to be a Class A member entitled to one (1) vote for each lot in which it holds the interests required for membership under Section 1.

ARTICLE IV
BOARD OF TRUSTEES: SELECTIONS: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) Trustees, who need not be members of the Association.

Section 2. Election. At the first annual meeting, which shall be held not later than two (2) years from the date of incorporation of this Association, the Members shall elect two Trustees for a term of one (1) year, two Trustees for a term of two (2) years, and two (2) Trustees for a term of three (3) years. At each annual meeting thereafter the Members shall elect Trustees to replace the Trustees whose terms have expired, for a term of three (3) years.

Section 3. Removal. Any Trustee may be removed from the Board, with or without cause by a vote of two-thirds (2/3) of the Members of the Association. In the event of death, resignation or removal of a Trustee, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Trustee shall receive compensation for any service he may render to the Association. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Trustees 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 Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Trustees.

ARTICLE V
MEETING OF TRUSTEES

Section 1. Regular Meetings. Regular meetings of the Board of Trustees shall be held semi-annually without notice, at such place and hour as may be fixed from time to time by resolutions of the Board.

Section 2. Special Meetings. Special Meetings of the Board of Trustees shall be held when called by the President of the Association or by any two (2) Trustees, after not less than three (3) days notice to each Trustee.

Section 3. Quorum. A majority of the number of Trustees shall constitute a quorum for the transaction of business. Every act of decision done or made by a majority of the Trustees present at a duly called meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI NOMINATION AND ELECTION OF TRUSTEES

Section 1. Nomination. Nomination for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Trustees, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Trustees at least thirty (30) days prior to each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or nonmembers.

Section 2. Election. Election to the Board of Trustees shall be made by secret written ballot. At such election, the Members or their proxies may each cast their vote in accordance with the voting rights provisions herein. The names receiving the largest number of votes shall be elected. There shall be no cumulative voting.

ARTICLE VII MEMBERSHIP AND VOTING RIGHTS

Section 1. Powers. The Board of Trustees shall have the power:

(a) To exercise for the Association all powers, duties and authority vested in or delegated to this Association not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(b) To declare the office of a Member of the Board of Trustees to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Trustees; and

(c) To employ an independent contractor(s) or such other employee(s) as they deem necessary and to prescribe their duties;

(d) To undertake appropriate action(s) as provided for in Article X.

Section 2. Duties. It shall be the duty of the Board of Trustees:

(a) 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;

(b) To supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) As more fully provided under the Declaration:

(1.) To establish, levy and assess, and collect the assessments or charges referred to in the Declaration as applicable to the Association, and

(2.) To send written notice of each assessment not paid on or before the due date thereof to owner(s) or contract purchaser(s) liable for same within thirty (30) days after the due date of each annual assessment period.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment, and

(e) To cause any Common Area to be maintained.

ARTICLE VIII MEETING OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the Members shall be held within two (2) years from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. The meeting shall be held at a convenient location in or near _____ . If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The meeting time may be changed by a majority vote at any legal meeting.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Trustees, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage pre-paid, at least fifteen (15) days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of the entire membership shall constitute a quorum. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to postpone the meeting without notice other than announcement at the meeting. At an ensuing meeting following any such postponed meeting, the presence of Members entitled to cast one-fourth (1/4) of the votes of the entire membership shall constitute a quorum.

Section 5. 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 the Member of his Lot.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and a Vice-President, who during their tenure shall be Members of the Board of Trustees, a Secretary, a Treasurer and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve. Any officer may stand for reelection provided no officer may serve more than four (4) consecutive terms.

Section 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 period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with cause by the Board. Any officer may resign at any time by 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 at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office shall be filled by the Board at a special meeting called for that purpose. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 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) or any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

A. **President:** The President shall preside at all meetings of the Members and Board of Trustees, shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and must co-sign all checks and promissory notes.

B. **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.

C. **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.

D. **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 Trustees; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each

fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members provided any Association check or note in excess of \$200.00 shall be co-signed by another Association officer.

ARTICLE X ASSESSMENTS

Any assessments which are not paid when due shall be delinquent and shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Member personally obligated to pay the same or foreclose its lien (if any) against the property, and interest, costs, and reasonable attorney's fees shall be added to the amount of such assessment. Voting rights of Member(s) whose assessments are unpaid when due shall be suspended until paid.

ARTICLE XI BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII MISCELLANEOUS

Section 1. Amendments. These By-Laws 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, except that during the Development Period, the Developer shall have the right to veto amendments.

Section 2. Conflict; Control. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 3. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIII
DATE OF ADOPTION

These By-Laws were duly adopted by the Association on
the 21st day of May, 1992.



John V. Kitzgo



Wayne C. Hammer



Brett M. Jacobsen