

**BYLAWS
OF
WILLOW POINTE NORTH HOMEOWNERS' ASSOCIATION**
(Amended January 16, 2015)

ARTICLE 1: NAME AND LOCATION

The name of the corporation is Willow Pointe North Homeowners' Association, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 14150-F1 NE 20th, Suite 505, Bellevue, WA 98007, but meetings of members and directors may be held at such places within the State of Washington as may be designated by the Board of Directors. The Association is a nonprofit corporation formed under the provisions of RCW Chapter 24.03.

ARTICLE 2: DEFINITIONS

The definitions of the applicable terms used in these Bylaws shall be the Definitions used in the Declaration of Covenants, Conditions & Restrictions recorded on December 11, 2007, under Benton County Auditor number 2007-039909, and running with the titles to the Properties and Lots commonly known as the plat of Willow Pointe North (hereinafter referred to as the "Declaration").

ARTICLE 3: MEETINGS OF MEMBERS

Section 3.01. Annual Meetings. After the holding of the first annual meeting following the end of the Development Period, there shall thereafter be an annual meeting of the Members held during the first quarter of the fiscal year at such reasonable place and time as may be designated by written notice from the Board, delivered to the Owners no less than fourteen (14) days and no more than sixty (60) days before the meeting.

Section 3.02. Special Meetings. Special meetings of the Members may be called at any time by the president or a majority of the Board of Directors, or upon written request of the Owners who are entitled to vote ten percent (10%) of the votes of the Association.

Section 3.03. 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 hand delivery or by mailing a copy of such notice, postage prepaid by first class United States mail, at least fourteen (14) days and no more than (60) days before such meeting to each member entitled

to vote at such meeting, addressed to the Member's mailing address last appearing on the books of the Association, or supplied by such members to the Association for the purpose of notice. Such notice may be transmitted via email to an email address provided by the Member for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, the business to be placed on the agenda by the Board for a vote by Members, including the general nature of any proposed amendment, any budget or changes in the previously approved budget that result in a change in Assessments, and any proposal to remove a director.

Section 3.04. Quorum. Members shall be Lot Owners and shall be entitled to one (1) vote for each Lot owned by as defined in the Declaration. For purposes of these Bylaws, Members may be interchangeably be referred to as Lot Owners. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty-four percent (34%) of the votes of the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If such quorum shall not be present or represented at any meeting, the Members entitled to vote at such meeting shall have power to adjourn the meeting from time to time until a quorum as aforesaid shall be present or be represented.

Section 3.05. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, signed by all persons with an interest in the Lot (except regarding security interests) and filed with the secretary. Notwithstanding that a valid proxy may be outstanding, the powers of the proxy holder or holders shall be suspended if the person or persons executing such proxy shall be present at the meeting and elect to vote in person. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution by a Member. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/her Lot.

ARTICLE 4: BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 4.01. Number. The administrative affairs of the Association will be managed by a Board of five (5) directors who need not be Members of the Association. All Board positions shall be open for election at the first annual meeting and at each annual meeting thereafter.

Section 4.02. Term of Office. The terms of the directors shall be one (1) year and directors may be re-elected at subsequent annual meetings.

Section 4.03. Removal. Any director may be removed from the Board, without cause, by a majority vote of the Lot Owners of the Association. In the event of death, resignation or removal of a director, his/her successor shall be

selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor, but subject to any approval that may be required by a majority vote of Lot Owners.

Section 4.04. Compensation. No director shall receive compensation for any service he/she may render to the Association in his/her capacity as a director. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

ARTICLE 5: MEETINGS OF DIRECTORS

Section 5.01. Regular Meetings. Regular meetings of the Board of Directors shall be held without required advance notice to the Members at such place and hour as may be fixed from time to time by resolution of the Board. Directors may participate in and be deemed present at a meeting by means of telephone conference or similar communication through which all persons participating in the meeting can hear each other at the same time.

Section 5.02. Special Meetings. Special meetings of the Board of Directors shall be held without required advance notice to the Members when called by the president of the Association, or by any two directors, after not less than five (5) days advance notice to each director. Directors may participate in and be deemed present at a meeting by means of telephone conference or similar communication through which all persons participating in the meeting can hear each other at the same time.

Section 5.03. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business provided that timely and proper notice of the meeting has previously been received by all of the directors. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.04. Open Meetings. All meetings of the Board shall be open for observation by all Members and their authorized agents, except as otherwise provided. The minutes of all actions taken by the Board shall be available to all Members upon request.

Section 5.05. Closed Sessions. Upon an affirmative vote in open meeting to assemble in closed session, the Board may convene in closed executive session to consider personal matters; consult with legal counsel or consider communication with legal counsel; discuss likely or pending litigation; discuss matters involving possible violations of the Association's governing documents; and discuss matters involving the possible liability of a Member to the

Association. Any motion for a closed session shall state specifically the purpose for the closed session and shall be included in the minutes. The Board shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the Board, following the closed session, reconvenes in open meetings and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this section shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

ARTICLE 6: POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.01. All powers of the Association, as administered by the Board while acting on behalf of and for the benefit of the all of the Properties and the Lot Owners, must be exercised in accordance with the terms of these Bylaws and the Declaration. In addition to the duties and powers imposed by these Bylaws and any resolution of the Association that may be hereafter adopted, the Board shall have the power and be responsible for the following, in way of explanation but not limitation:

- a) Insurance. Obtain policies of insurance for any and all Common Areas and maintain in full force and effect, a general "all risk" liability policy in sufficient amount approved by the Association, naming the Association, and the Declarant, and all Lot Owners as additional insureds. The requirement to name Declarant shall cease at such time as Declarant is no longer a voting member of the Association;
- b) Legal and Accounting Services. Obtain legal and accounting services if necessary for the administration of Association affairs, including common areas and the enforcement of Declaration requirements. Subject to any limitation by the Declaration or Articles of Incorporation, institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or of two or more Owners on matters affecting the Association, but not on behalf of Owner(s) involved in disputes that are not the responsibility of the Association;
- c) Maintenance. Pay from Association funds, all costs of maintaining the Common Areas and Common Maintenance Areas;
- d) Maintenance of Lots. Subject to the requirements of the Declaration, maintain any Lot if such maintenance becomes reasonably necessary in the good faith judgment of the Board after the Owner of the Lot has failed or refused to perform maintenance within a reasonable time after

written notice of the necessity of such maintenance has been delivered by the Board to the Owner and in order to: (1) protect Common Maintenance Areas; or (2) to preserve the appearance and value of the Properties or Lots. In such event, the Board shall levy a special assessment against the Owner or Owners of such Lot for the cost of such maintenance;

- e) Discharge of Liens. Pay any amount necessary to discharge any lien or encumbrance levied against the all the Properties or any part thereof which is claimed or may, in the opinion of the Board, constitute a lien against the Properties rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such liens, they shall be jointly and severally liable for the entire cost of discharging the lien(s) and any associated costs or expenses, including reasonable attorney fees and title search costs incurred by the Board by reason of such lien or liens. Such amounts paid shall be assessed against the Owner or Owners and the Lots responsible to the extent of their responsibility;
- f) Utilities. Pay all utility charges attributable to Common Areas;
- g) Security. Pay all costs reasonably deemed appropriate by the Board to ensure adequate security for the Lots and any Common Areas constituting the residential community created on the Properties;
- h) Right to Contract. Contract for goods, services, maintenance, and capital improvements; provided, however, that such right of contract shall be subject to the provisions of the Declaration;
- i) Improvement of Common Areas. Contribute capital improvements to any Common Areas; provided that for those capital improvements exceeding Five Thousand and No/100 Dollars (\$5,000.00), approval is first obtained from two-thirds (2/3) of the members of the Association voting in person or by proxy at a meeting duly called for this purpose (subject to notice and quorum requirements);
- j) Right of Entry. Enter any Lot or Residence, when reasonably necessary, in the event of emergency or in connection with any maintenance, landscaping or construction for which the Board is responsible. Except in cases of emergency, the Board, its agents or employees shall attempt to give notice to the Owner or occupant of any Lot or Residence at least twenty-four (24) hours prior to such entry and such entry must be made with as little inconvenience to the Owners as practicable. If the entry is due to an emergency, then any damage caused thereby shall be repaired

by the Board, at the Association's expense, unless the emergency was caused by the Owner of the Lot entered, in which case the cost may be specially assessed to the Lot and against the Owner of the Lot. If repairs or maintenance activities of a non-emergency nature are necessitated by the Owner's neglect, then the cost of such repair or maintenance activity shall be specially assessed to that Lot and against the Owner of that Lot; provided that the Board had first delivered to the Owner reasonable advance written notice of the need for repair or maintenance. If the emergency or the need for maintenance or repair to a particular Lot is caused by the Owner of another Lot, the cost thereof may be specially assessed against such Owner;

- k) Promulgation of Rules. Adopt and publish any reasonable rules and regulations governing the Members and their guests not inconsistent with any applicable laws and the Declaration and establish penalties for any infraction thereof;
- l) Declaration of Vacancies. Declare the office of a member of the Board to be vacant in the event that a member of the Board is absent from three (3) consecutive regular meetings of the Board, or from a single annual meeting in the event the Board meets annually;
- m) Retaining of Manager. Retain a manager, as independent contractor, or such other independent contractors as the Board deems necessary and describe the duties of such parties;
- n) Payment for Goods and Services. Pay for all goods and services required for the proper functioning of any Common Areas;
- o) Budgets. Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from Owners;
- p) Bank Account/Financial Records. Open a bank account on behalf of the Association and designate the signatories required, and perform accounting functions as set forth below:
 - i) The Association or its managing agent shall keep financial and other records sufficiently detailed to enable the Association to fully declare to each Owner an accurate statement of financial status. All financial and other records of the Association, including, but not limited to checks, bank records, and invoices, in whatever form they are kept, are the property of the Association. Each Association managing agent shall turn over all

original books and records to the Association immediately upon termination of the management relationship with the Association, or upon such other demand as may be made by the Board of Directors. An Association managing agent is entitled to keep copies of Association records. The managing agent shall make all records that he/she has turned over to the Association reasonably available for examination and copying.

- ii) All records of the Association, including the names and addresses of Owners and other occupants of the Lots, shall be available for examination by all Owners, holders of mortgages on the Lots, and their respective authorized agents on reasonable advance notice during normal working hours at the offices of the Association or its managing agent. The Association shall not release the unlisted telephone number of any Owner. The Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records.
- iii) At least annually, the Association shall prepare or cause to be prepared, a financial statement of the Association. The financial statements of Association with annual assessments of Fifty Thousand and No/100 Dollars (\$50,000.00), or more, shall be audited at least annually by an independent certified public accountant, but the audit may be waived if sixty-seven percent [67%] of the votes cast by Owners, in person or by proxy, at a meeting of the Association at which a quorum is present, vote each year to waive the audit.
- iv) The funds of the Association shall be kept in accounts in the name of the Association and shall not be commingled with the funds of any other association, nor with the funds of any manager of the Association, or any other persons responsible for the custody of such funds;
- q) Dedication of Real Property or Easements. Dedicate Common Areas owned by the Association, pursuant to the limitations of the Declaration. Also, grant easements or rights of use over, under or upon any Common Areas owned by the Association to public or private agencies, or to individual Members of the Association for purposes deemed reasonable or appropriate, so long as such easements or rights of use do not adversely affect the use and enjoyment of the Common Areas by the Association's Members, as provided for in the Declaration; and,
- r) Exercise of Powers, Duties and Authority. Exercise for the Association all

legal powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions in these Bylaws or the Articles of Incorporation or Declaration.

Section 6.02. All powers and duties of the Board of Directors shall be subject to the provisions of the Declaration concerning the continuing role of the Declarant as Architectural Control Committee and to any other continuing role of the Declarant as may be provided in the Declaration.

ARTICLE 7: OFFICERS AND THEIR DUTIES

Section 7.01. Enumeration of Offices. The officers of this Association shall be a president, a vice-president, a secretary and a treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create. The same person may hold the offices of the secretary and treasurer.

Section 7.02. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 7.03. Term. The officers of this Association shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve. Officers may be re-elected.

Section 7.04. 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 not longer than one (1) year, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.05. Resignation and Removal. Any officer may be removed from office with or without 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 thereon, unless otherwise specified therein, the acceptance of such resignation shall not necessarily make it effective.

Section 7.06. Duties. The duties of the offices are as follows:

- (a) President. The president shall: preside at all meetings of the Board of Directors; see that orders and resolutions of the Board are carried out; sign all leases, mortgages, deeds and other written instruments; and 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/her absence, inability or refusal to act; and shall exercise and discharge such other duties as may be required of him/her 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; 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 the resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE 8: 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.

ARTICLE 9: ASSESSMENTS


As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made, and the Association may bring an action of law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments by non-use of the Common Area or abandonment of his/her Lot.

ARTICLE 10: MISCELLANEOUS

Section 10.01. 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.

Section 10.02. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, we, being the president and secretary/treasurer of Willow Pointe North Homeowners' Association, have hereunto set our hands this 10th day of December, 2014.



Jeffrey Lum, President



Ala Q. Galdson, Secretary/Treasurer