

## BYLAWS

### HELEENA HILLS HOMEOWNERS ASSOCIATION

The following are the Bylaws of the Heleena Hills Homeowners Association (the "Association"). Each lot owner is a member of the Association. All present and future owners, mortgagees and other encumbrancers, lessees, tenants, licensees and occupants of lots, and their guests and employees, and any other person who may use the facilities of the Heleena Hills Subdivision are subject to these Bylaws, the Declaration of Covenants, Conditions and Restrictions and the rules and regulations established from time to time by the Association for the use and operation of the Heleena Hills Subdivision. These Bylaws have been established by the Developer, and may be amended as provided herein.

#### ARTICLE I

##### MEMBERSHIP; VOTING; REGISTER

- 1.1 **Membership.** The Association shall be composed of the owners of each lot who may participate through designated representatives, as set forth in the Declaration.
- 1.2 **Voting.** At any meeting of the Association, each lot owner (including the Developer if the Developer shall own any lot) shall be entitled to cast one vote per each lot which he/she owns. If any lot is owned by more than one person or other entity, then the lot owners thereof shall appoint one person to cast the vote appertaining to the lot; and shall file a written statement with the Board signed by all of those lot owners, stating that such person has been appointed to cast the vote for that lot. The person appointed to cast such vote need not be a lot owner. Any such designation once made may be revoked by the Board when it receives notice of the death or judicially declared incompetency of any lot owner or upon the conveyance by any lot owner of his interest in his lot. In any situation where there is more than one lot owner of a lot, the lot owners attending any meetings of the Association may, if they act unanimously, cast the vote for that lot. Voting at any meeting of the Association may be in person or by proxy, provided that such proxy is in writing and signed by the lot owner and filed with the Board in advance of the meeting at which such vote is taken. Any proxy given by a lot owner or lot owners to or in favor of a holder of indebtedness secured by any recorded first mortgage (meaning a mortgage with priority over all other

mortgages) upon his lot, shall upon presentment to the Board be honored by the Association and may not be revoked by the lot owner without the prior written consent of the holder of such indebtedness. The voting rights of any member may be suspended as provided in the declaration, or the Articles or Bylaws of the Association.

- 1.3 **Register of Members.** The Board of Directors of the Association shall maintain a register containing the names and addresses of all owners of lots, their designated representatives, and any voting rights pledges that have been filed with the Association. Owners who sell or convey their lot shall promptly report to the Board of Directors the name and address of their successor in interest. Persons claiming membership in the Association shall, upon request, furnish the Board of Directors with a copy of any documents under which they assert ownership to a lot, or any interest therein. The Board of Directors may require owners to supply it with copies of any security instrument affecting their interests.

## ARTICLE II

### MEETINGS OF MEMBERS

- 2.1 **Place.** Meetings of the Association shall be held at such reasonable place as may be designated from time to time by the Board of Directors.
- 2.2 **Annual Meeting.** The annual meeting of the Association shall be held in the first quarter of each year, on a date fixed by the Board of Directors. At the annual meeting the owners or their designated representatives shall elect Directors or fill vacancies in the Board of Directors as provided in the Declaration and shall consider such other business as may properly come before the meeting.
- 2.3 **Special Meetings.** It shall be the duty of the President to call a special meeting of the Association when so directed by resolution of a majority of the Board of Directors, or upon the written request of owners or their designated representatives having fifty-one percent (51%) or more votes.
- 2.4 **Notice of Meetings.** It shall be the duty of the Secretary to mail a notice of each annual and special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner or his designated representative (and any other person entitled to notice under the Declaration or Bylaws) at such address as the owner or other person shall have furnished in writing to the Board of Directors, or, if an owner fails to specify such address, the address of the lot owned by the owner. Said notice shall be given at least thirty (30) days prior to an annual or special meeting; provided: At a meeting, the purpose of which is to vote on the amendment of the Declaration or Bylaws, written notice of such meeting shall be sent to all lot owners not less than ten (10) days nor more than fifty (50) days in advance of said meeting. Notice of any meeting of the Association may be waived in writing at any time and is waived by actual

attendance at such meeting, unless such appearance be limited expressly to object to the legality of the meeting. Any institutional holder of a first mortgage on a lot will, upon request, be entitled to written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

2.5 **Quorum.** The presence in person or by proxy of owners or their designated representatives having thirty percent (30%)\* or more votes shall constitute a quorum for the transaction of business at any meeting of the Association.

Twenty Percent (20%) or more votes\*\* per meeting on 7/2015

2.6 **Adjourned Meetings.** If any meeting of the Association cannot be held because a quorum is not in attendance, the owners or their designated representatives present may adjourn the meeting to a later date and give notice thereof to each owner or his designated representative (and each other person entitled to notice) in accordance with the Declaration, and those who attend such an adjourned meeting, although holding less than thirty percent (30%) of the votes, shall nevertheless constitute a quorum for the purpose of said meeting; provided that no amendment to the Declaration or Bylaws shall be adopted except as prescribed by the Declaration and Bylaws, and further, no amendment to these Bylaws shall be adopted unless owners or their designated representatives holding seventy five percent (75%) or more votes vote in favor of such amendment.

2.7 **Proxies.** Any owner or his designated representative may vote by proxy. Proxies shall be in writing, signed by the owner or his designated representative, and filed with the Board of Directors.

2.8 **Majority Vote.** Except as otherwise provided by the Declaration or these Bylaws, passage of any matter submitted to vote at a meeting or adjourned meeting duly called, where a quorum is in attendance in person or by proxy, shall require the affirmative vote of a majority or more of the total votes present in person or by proxy.

2.9 **Order of Business.** The order of business at meetings of the Association shall be as follows unless dispensed with or altered by motion:

2.9.1 Roll call

2.9.2 Proof of notice of meeting or waiver of notice

2.9.3 Minutes of preceding meeting

2.9.4 Reports of officers

2.9.5 Reports of committees

- 2.9.6 Election of Directors (annual meeting or special meeting called for such purpose)
  - 2.9.7 Unfinished business
  - 2.9.8 New business
  - 2.9.9 Adjournment
- 2.10 **Parliamentary Authority.** In the event of a dispute, the parliamentary authority for the meetings shall be the current available edition of Roberts Rules of Order, Revised.

### **ARTICLE III**

#### **BOARD OF DIRECTORS; SUBMISSION OF OFFICIAL BUSINESS**

- 3.1 **Number; Election.** After its initial stage, the affairs of the Association shall be governed by a Board of Directors composed of three (3) persons who shall be elected as provided in the Declaration.
- 3.2 **Temporary Board.** As provided in the Declaration, the duties of the Board of Directors during the project's development stage shall be carried out by the Developer, or a Temporary Board of Directors appointed by the Developer. Within thirty (30) days of the termination of the development period, the Developer shall call a special meeting of the Association for the election of the three (3) person Board of Directors. Thereafter, the Association's affairs shall be governed by the Board of Directors elected by the Association pursuant to the Declaration and these Bylaws. During its term of office the Temporary Board of Directors (and the Developer until the Temporary Board is appointed) shall exercise the rights, duties and functions of the Board of Directors as set forth in the Declaration and these Bylaws.
- 3.3 **Vacancies.** Vacancies in the elected Board of Directors caused by reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall serve for the unexpired portion of the previous Director's term. Vacancies in the Temporary Board of Directors shall be filled by the Developer without a meeting of the Association.
- 3.4 **Removal of Directors.** At any annual meeting of the Association or special meeting of the Association called for that purpose, any one or more of the Directors who have been elected by the owners or their designated representatives may be removed, with or without cause, by a vote of two-third's (2/3) of the owners or their designated representatives, and successors may then

be elected to fill the vacancies thus created. The Developer may remove members of the Temporary Board of Directors with or without cause, and appoint directors to fill the vacancies thus created without a meeting of the Association.

- 3.5 **Compensation.** No compensation shall be paid to Directors for their services as Directors.
- 3.6 **Organization Meeting.** The first meeting of the Temporary and elected Boards of Directors shall be held within ten (10) days of their appointment or election at such place as shall be fixed by agreement of the Board members elected, and no notice shall be necessary to the new Directors in order to legally constitute such meeting, provided a majority of the appointed or elected Board of Directors shall be present.
- 3.7 **Regular Meeting.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director personally, or by mail, telephone or facsimile transmission at least three (3) days prior to the day fixed for such meeting, which notice shall state the time and place of the meeting.
- 3.8 **Special Meetings.** Special meetings of the Board of Directors may be called by the President on three (3) days' prior notice to each Director, given personally or by mail, telephone, or facsimile transmission, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President in like manner and on like notice at the written request of one (1) Director.
- 3.9 **Waiver of Notice.** Before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.
- 3.10 **Quorum.** At all meetings of the Board of Directors, the attendance of three (3) Directors shall be required for a quorum, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors.
- 3.11 **Complaints and Official Business.** Any complaints and all official business shall be transmitted in writing, emergencies excepted, and such written business shall be submitted to the Board of Directors through the president if available, and the Secretary if the President is not available.

## ARTICLE IV

### OFFICERS

- 4.1 **Designation.** The officers of the Association shall be a President, a Vice-President, and a Secretary/Treasurer, all of whom shall be elected by the Board of Directors.
- 4.2 **Election of Officers.** The officers of the Association shall be elected each year at the annual meeting of the Board of Directors and shall hold office at the pleasure of the Board.
- 4.3 **Removal of Officers.** At any regular meeting of the Board of Directors or at any special meeting called for that purpose, any officer may be removed, with or without cause, and his successor elected, upon an affirmative vote of a majority of the members of the Board of Directors.
- 4.4 **President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors and shall have all powers and shall perform all duties usually incident to the office of President of a business corporation.
- 4.5 **Vice-President.** The Vice-President shall perform the duties of the President in the absence of the President and such other duties as may be assigned to him by the Board of Directors.
- 4.6 **Secretary/Treasurer.** The Secretary/Treasurer shall keep the minutes of all meetings of the Board of Directors and of the Association. He shall also maintain the register of owners, designated representatives and voting rights pledges. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall perform all duties usually incident to the office of Secretary of a business corporation.
- 4.7 **Other Officers, Assistants, Employees.** Other officers of the Association, assistants to the officers, or persons employed to assist the officers shall have such authority and shall perform such duties as the Board of Directors may prescribe within the provisions of the applicable statutes, the Declaration, and these Bylaws.
- 4.8 **Compensation.** The Board may determine to pay reasonable compensation to any officer, agent, assistant or owner who performs substantial services for the association in carrying out the management functions.

## ARTICLE V

### COMMITTEES AND MANAGER

- 5.1 **Committees of Directors.** The Board of Directors may designate one or more committees, each of which shall consist of one or more Directors. Such committees, if composed entirely of Board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board of Directors in the management of the Association, but the designation of such committees shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law.
- 5.2 **Other Committees.** Other committees, not having or exercising the authority of the Board of Directors in the management of the Association, may be designated by the President or by the Board of Directors, and such committees may be composed of one or more members of the Association other than Board members, but each shall have one Board member as a member or chairman.

## ARTICLE VI

### OBLIGATIONS OF LOT OWNERS

- 6.1 **Monthly Assessments.** Lot owners are obligated to pay the maintenance assessments and other assessments imposed by the Association to meet all common expenses of the property as set forth in the Declaration, and the Board of Directors shall act to establish, assess, collect and expend such assessments as therein provided.
- 6.2 **Rules and Regulations.** The Board of Directors may, from time to time, adopt such rules and regulations (in addition to the restrictions set forth in the Declaration) as may be required for the use of the real property, and when so adopted, such rules and regulations shall be binding upon all of the owners and occupants. Such rules and regulations shall be consistent with the Declaration and Bylaws, and, to the extent they are inconsistent, the rules and regulations shall be invalid. The Board of Directors may from time to time amend any such rules and regulations.

## ARTICLE VII

### HANDLING OF FUNDS

- 7.1 **Accounts.** The Association shall establish the necessary funds or accounts to properly provide for the operation and maintenance of the property. Overall superintendence of these funds shall be the responsibility of the Treasurer of the Association. The Treasurer shall administer the Association's accounts in such a

way that the funds are secure and that signature cards at the various institutions containing the funds are current.

- 7.2 **General Account.** The Treasurer shall establish a checking account in a commercial bank to be known as the General Account. This account will be the working capital account for the current operations of the Association and will normally receive all monthly assessments, and all income and other funds received by the Association. Checks shall be issued from this account for all management, maintenance, and operation expenditures necessary for the Association.

## ARTICLE VIII

### KEEPING RECORDS AND REPORTS

The Secretary/Treasurer shall keep complete and accurate books and records of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the Association shall be available for examination, upon request, by any owner or his designated representative, agent or attorney, or by any institutional holder of a first mortgage lien on a lot, during normal business hours.

## ARTICLE IX

### AMENDMENTS

The Bylaws may be amended or repealed by the majority vote of the Board of Directors; or owners or their designated representatives having seventy five percent (75%) or more votes may amend or repeal the Bylaws at any annual meeting or special meeting called for that purpose. The Board of Directors shall not amend or repeal any Bylaws adopted by the owners or their designated representatives.

## ARTICLE X

### MISCELLANEOUS

- 10.1 **Notices For All Purposes.** Any notice permitted or required to be delivered under the provisions of these Bylaws may be delivered either personally or by mail unless otherwise provided in these Bylaws. If delivery is made by mail, any such notice shall be deemed to have been delivered when deposited in a United States Post Office, first-class postage prepaid, addressed as required in Section 8 of the Declaration. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board may be given to

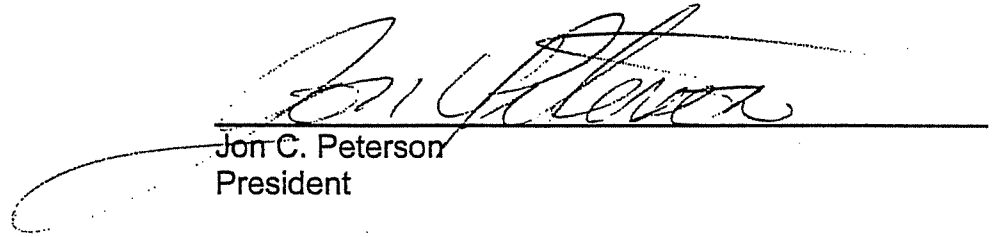


Developer until a Board of Directors has been appointed or elected and, thereafter, shall be given to the President or Secretary of the Board of Directors.

- 10.2 **Waiver.** The failure of the Board of Directors in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of the Declaration, or of these Bylaws, or any rules and regulations established by the Board of Directors, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of Directors of any assessment from an owner, with knowledge of any such breach, shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors.
- 10.3 **Limitation of Liability.** No person who shall serve as a member of the Board or the initial Board or as an officer of the Association shall be liable to any lot owner or the Association except for claims, damages, liabilities, costs or expenses which arise out of the willful misconduct of such person. Without limiting the generality of the foregoing, no person who shall serve as a member of the Board or the initial Board or as an officer of the Association shall be liable to any lot owner or to the Association for the interruption of service of any utility which the Board or the initial Board or an authorized officer of the Association is purchasing from a public utility or otherwise for the benefit of the lots or the lot owners unless such interruption of service arises out of the willful misconduct of such person. Nothing contained in this Section 10.3 shall be construed to impose liability upon any person who shall serve as a member of the Board, the initial Board, or as an officer of the Association. The limitation of liability specified in this Section 10.3 shall extend to the Developer if the Developer is a member of the Board or the initial Board or an officer of the Association.
- 10.4 **Indemnification.** The lot owners shall indemnify and hold each person who serves as a member of the Board, including the Developer if the Developer serves in such capacity, harmless from all claims, damages, liabilities, expenses and costs (including, but not by way of limitation, the cost of attorneys, with or without litigation) which such person may incur because of his serving as a member of the Board, whether or not such person incurs the obligation to pay such claim, damage, liability, expense or cost at the time at which such person is a member of the Board or thereafter; provided that such claim, damage, liability, expense or cost does not arise out of the willful misfeasance or malfeasance of such person in the performance of his duties as a member of the Board; and provided further that the lot owners shall not be obligated to indemnify and hold such person harmless as provided in this Section 10.4 if such claim, damage, liability, expense or cost is not included in a court order except to the extent that the Board determines that the expense or cost is in the best interest of the

Association. The indemnification agreement of the lot owners which is provided in this Section 10.4 shall also apply to and be for the benefit of each person who serves as a member of the initial Board and to each person who serves as an officer of the Association, including the Developer if the Developer serves in such capacity.

IN WITNESS WHEREOF, the undersigned has caused these Bylaws to be executed this 15<sup>th</sup> day of March, 2002.



Jon C. Peterson  
President

FAXED  
5/16 B/R

STATE OF WASHINGTON



SECRETARY OF STATE

HELEENA HILLS HOMEOWNERS ASSOCIATION

PRO REALTY OPTIOINS  
318 164TH ST SW  
LYNNWOOD WA 98037

APPLICATION FOR REINSTATEMENT

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that documents meeting Washington statutory requirements have been filed and processed with the Secretary of State on behalf of:

HELEENA HILLS HOMEOWNERS ASSOCIATION

A Washington Non-Profit Corporation  
UBI: 602 177 761  
Filing Date: March 01, 2005



Given under my hand and the seal of the State of Washington at Olympia, the State Capital.

Sam Reed, Secretary of State

MAY 03 2005

STATE of WASHINGTON



SECRETARY of STATE

Corporations Division • 801 Capitol Way South • PO Box 40234 • Olympia, WA 98504-0234 • 360/753-7115 • Fax 360/664-0055

APPLICATION FOR REINSTATEMENT OF A DOMESTIC (WASHINGTON) NONPROFIT CORPORATION RCW 24.03

FILED SECRETARY OF STATE SAM REED MARCH 1, 2005 STATE OF WASHINGTON

Pursuant to RCW 24.03 of the Washington Nonprofit Corporation Act, the undersigned corporation applies for reinstatement and states the following:

- 1) The corporate name on the date of administrative dissolution was: HELEENA HILLS HOMEOWNERS ASSOCIATION
2) The date of administrative dissolution was: May 3, 2004
3) The name of the corporation's registered agent who resides in the State of Washington is: Pro Realty Options, Inc.
4) The corporation's registered office address (which must be identical to that of the Registered Agent's) in Washington is: 318-164th St. SW, Lynnwood
5) The Post Office Box, if any, to be used in conjunction with, and located in the same city as, the Registered Office address above is:
6) If the corporation has changed its name, you must file Articles of Amendment. Please call (360) 753-7115, press 1, to request the necessary forms.
7) The following explanation demonstrates that the grounds for administrative dissolution either did not exist or have been eliminated. (Check one or more of the following statements):

- [X] The annual report (list of officers/directors) has been completed and is hereby submitted for filing.
[ ] NSF/Account closed fees are hereby tendered.
[ ] The registered agent and registered office address in Washington has been designated herein.
[ ] Other:

Signature of Officer

Steve Amador President
Type or Print Name and Title

2/22/05
Date

NRI



Corporations Division • 801 Capitol Way South • PO Box 40234 • Olympia, WA 98504-0234 • 360/753-7115 • Fax 360/664-0055

03/01/2005 575294  
\$55.00 Check #1031  
Tracking ID: 664424  
Doc No: 575294-001

NONPROFIT CORPORATION REINSTATEMENT REPORT FILING FEE 45.00

RENEWAL PERIOD		2/01/04-1/31/06	
BACK FEES DUE	PENALTIES DUE	REINSTATEMENT FEES DUE	
20.00	5.00	30.00	
TOTAL AMOUNT NOW DUE TO REINSTATE			55.00

Corporate Name and Registered Agent / Office Address: **HELEENA HILLS HOMEOWNERS ASSOCIATION**  
 C/O ZAKIR H PARPIA  
 1059 D STATE AVE  
 MARYSVILLE WA 98270

FILED  
 SECRETARY OF STATE  
 SAM REED  
 MARCH 1, 2005  
 STATE OF WASHINGTON

Unified Business ID #: 602 177 761  
 Corporation Account #: 2-972962-1  
 State of Incorporation: WA  
 Inc./ Qual. Date: 1/29/2002

IF REGISTERED AGENT OR ADDRESS HAS CHANGED, COMPLETE THIS SECTION - These actions have been authorized by the Board of Directors.

New Registered Agent's Name: Pro Realty Options, Inc New Agent's Consent to Appointment: [Signature]  
 (Please Type or Print) (Signature of newly appointed Agent)

New Registered Office Address: 318-164th St. SW City: Lynnwood WA 98037 Effective Date: 2/1/05  
 (Street Address) (zip code)

Please Note: A Post Office Box may only be used in conjunction with a physical street address.

ANNUAL REPORT SECTION - FILL IN COMPLETELY - TYPE OR PRINT IN BLACK INK

Address of Principal place of business in WA \_\_\_\_\_  
 (Include Street, City, State & ZIP Code)

Telephone Number of Corporation: (425) 745-2400

Briefly describe the affairs the corporation is conducting in the state of Washington: Homeowner's Association

Do the affairs listed above differ from those recorded with the Office of the Secretary of State? Yes  No

If you indicated "yes" explain the nature and reason for the change \_\_\_\_\_

(Corporation may be required to file an amendment to its Articles of Incorporation if changes are extensive)

List NAMES AND ADDRESS(ES) of corporate officers and directors. (attach additional list, if needed.)

President: Steven Apodaca 8327-9th Pl. NE Everett, Wa. 98201  
 Name Address City State Zip

Vice-Pres: Richard Knapp 1006 85th Dr. NE " " "  
 Name Address City State Zip

Secretary: Shawna Weber 1006 85th Dr. NE " " "  
 Name Address City State Zip

Treasurer: \_\_\_\_\_  
 Name Address City State Zip

Chair Bd. Directors: \_\_\_\_\_  
 Name Address City State Zip

Directors: \_\_\_\_\_  
 Name Address City State Zip

Directors: \_\_\_\_\_  
 Name Address City State Zip

\_\_\_\_\_  
 (Signature) President, Steve Apodaca 2/22/05  
 (Type or Print Name and Title) (Date)

Document must be signed by an officer listed above.  
 Make checks payable to the Secretary of State and return to address shown above.  
 SW Date: 02/01/05 9:35 AM  
 NRI