BY-LAWS

OF

### SUNSET WEST MAINTENANCE ASSOCIATION

A Nonprofit Corporation

### ARTICLE I

#### **PURPOSES**

- 1.1 This corporation shall be conducted as a non-profit corporation for the purposes set forth in the Articles of Incorporation with respect to the real property therein described.
- 1.2 The corporation shall have power through its Board of Directors to levy and collect assessments against the individual lots within the subject real estate for the purposes set forth herein and in the Articles of Incorporation, which assessments shall constitute a lien against each such individual lot and upon non-payment of such assessment within thirty (30) days after the date of mailing notice thereof, the corporation shall be entitled to foreclose such lien as hereinafter set forth or alternatively to bring an action at law against the owner personally obligated to pay the assessment.
- 1.3 The assessments levied by the Sunset West Maintenance Association shall be used exclusively to promote the recreation, health, safety, and welfare of the members of the Association and for the improvement and maintenance of the common areas.

# ARTICLE II

### MEMBERSHIP

2.1 The membership of the corporation shall consist of those persons described in Article IV of the Articles of Incorporation. Membership is inseparably appurtenant to the lots within the subject real estate described in the Articles of Incorporation and upon transfer of ownership or the execution by any member of a contract for the sale of any such lot,

membership in the corporation shall ipso facto be deemed to be transferred to the grantee or contract purchaser. No membership may be conveyed or transferred except by conveyance or transfer of the subject lot to which it is appurtenant or the making of a contract for the sale thereof. In the event of the death of a member, his membership shall pass in the same manner and to the same persons as does the lot to which it is appurtenant.

- $2.2\,$  The vote of any membership owned by a single marital community may be cast by either spouse without presentation of authority from the other.
- 2.3 When more than one person owns an interest in any lot, all such persons shall be members of the corporation. The vote for such commonly owned lots shall be exercised as the owners thereof determine, but in no event shall more than one vote be cast with respect to any one lot.

#### ARTICLE III

## MEETINGS

- 3.1 Annual meetings of the members of the corporation shall be held at the principal place of business of the corporation or such other place as the Board of Directors may select. The annual meeting shall be held on the Third Wednesday in January of each year at West Valley Junior High School. Notice thereof shall be given by the Secretary of the corporation mailing notice to each member (or in the case of multiple ownership of any lot, to at least one such owner) not less than thirty (30) days nor more than fifty (50) days prior to the date of the meeting.
- 3.2 Special meetings of the members may be called at any time by the President or a majority of the Board of Directors of the corporation, or by members representing twenty-five percent (25%) of the lots within the jurisdiction of the corporation. Notice of a special meeting, stating the purposes thereof, shall be given by the Secretary mailing such notice to each member (or in the case of multiple ownership of any lot, to at least one such owner) not less than thirty (30) days, nor more than fifty (50) days prior to the date on which such meeting is to be held.
- 3.3 At all annual and special meetings of the members, twenty percent (20%) of the members of the corporation  $\frac{1}{2}$

shall constitute a quorum for the transaction of business. Each member shall be entitled to one (1) vote, and a member may exercise his right to vote by proxy. At any meeting at which a quorum is present, a majority vote of such members constituting the quorum, either in person, or by proxy, shall be valid and binding upon the corporation except otherwise as provided by law, these By-Laws or the Articles of Incorporation.

3.4 Notwithstanding anything in Paragraph 3.3 above to the contrary, if the Board of Directors calls a special meeting of all lot owners pursuant to Article IV, Section 3 of the Declaration of Covenants, Conditions and Restrictions for the purpose of authorizing expenditures in excess of one-half of one percent (1/2 of 1%) of the valuation of the land of the lot, then in that event, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subseqent meeting shall be one-half (1/2) of the required quorum at the preceeding meeting. No such subsequent meeting shall be held more than sixty days (60) following the preceeding meeting.

#### ARTICLE IV

## DIRECTORS

- 4.1 Corporate powers shall be vested in a Board of Directors, five (5) in number, who shall manage the affairs of the corporation. The number of directors may be changed at any annual or special meeting of the members called for such purpose.
- 4.2 The initial directors shall serve until the first meeting of the membership of the corporation and until their successors are elected and qualified. The directors so elected shall serve for staggered terms, one director to serve for five (5) years, one for four (4) years, one for three (3) years, one for two (2) years, and one for one (1) year, which shall be determined by lot conducted by the Board of Directors. Thereafter, directors shall serve for a term of five (5) years, such that one director shall be elected each year by the membership.
- $4.3\,$  The annual meeting of the Board of Directors shall occur immediately after the annual meeting of the members

and the Board shall thereupon elect a President, Vice-President, Secretary and Treasurer, all of which offices, except for that of the President, may be combined. The Board may also at any time appoint an Executive Secretary. Officers of the corporation shall hold office for the term of one (1) year and in any event until their successors are duly elected and qualified. Any officer may be suspended or removed by a majority vote by all of the directors, and any vacancy shall be filled by appointment of a majority of the Board of Directors.

- 4.4 Special meetings of the Board of Directors may be called at any time by the President of the corporation or a majority of the directors. The Secretary shall give each director notice either in person, verbally, by mail, or by telephone, at least three (3) days in advance of the date of such meeting.
- 4.5 No director or officer shall receive any salary or other compensation for his services from the corporation, except that the corporation may reimburse directors and officers for out-of-pocket expenses incurred in connection with the business of the corporation.

#### ARTICLE V

### POWERS AND DUTIES OF DIRECTORS

5.1 Subject to limitations in the Articles of Incorporation, the By-Laws and the laws of the State of Washington, all powers of the corporation shall be exercised by or under the authority of the Board of Directors. Without prejudice to such general powers, the directors shall have power to select and remove all other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, the Articles of Incorporation or the By-Laws, and in general to conduct, manage and control the affairs and business of the corporation and make such rules and regulations therefor as they may deem proper. The directors shall cause to be kept a complete record of all minutes and acts and shall present a full statement to the regular annual meeting of the members showing in detail the conditions of the affairs of the corporation.

#### ARTICLE VI

#### OFFICERS

- 6.1 President: The President shall preside at all meetings of the directors and members and shall have the power of general supervision of the affairs of the corporation.
- 6.2 Vice-President: The Vice-President shall preside at all meetings in the absence of the President and in case of absence or disability of the President, shall perform all other duties thereof.
- 6.3 Secretary: The Secretary shall issue all notices and attend and keep the minutes of all meetings and shall perform all such other duties as are incidental to his office.
- 6.4 Treasurer: The Treasurer shall keep safely all monies and securities of the corporation and disburse the same under the direction of the Board of Directors. He shall cause to be deposited all funds of the corporation in a bank selected by the directors and at each annual meeting of the members and at any other time as directed by the Board of Directors shall issue and present a full statement showing in detail the financial affairs of the corporation.

## ARTICLE VII

#### AUDIT COMMITTEE

- 7.1 There shall be an audit committee for the Sunset West Maintenance Association which shall be comprised of six (6) members. No member of the Board of Directors may serve on the Audit Committee. The initial members of the Audit Committee will be appointed by the Board of Directors to serve until such time as the annual membership meeting in January, 1988, when the full membership shall elect the six members of the Audit Committee. Thereafter, the members of the Audit Committee shall be selected annually by a vote of the membership at the annual January meeting.
- 7.2 The purpose of the Audit Committee is to conduct the year-end audit, to review the corporation's activities for the past year, and to prepare a report to be submitted both to the membership and to the Board of Directors at the annual meeting each January.

#### ARTICLE VIII

## ASSESSMENTS

The Board of Directors of the corporation is empowered to assess the lots within the real property described in the Articles of Incorporation from time to time, in a sum sufficient to pay the expenses of internal organization or operation of the corporation, reserves for depreciation and repair, and all other routine maintenance costs and expenses incidental to the operation of the corporation; provided, however, that the Board shall in no case authorize an expenditure which would obligate any lot to a liability in any year which exceeds one-half of one percent (1/2 of 1%) of the valuation of the land (without improvements) of the lot according to the then records of the Yakima County Assessor, without first having obtained an authorization to do so pursuant to Article IV, Section 3 of the Declaration of Covenants, Conditions and Restrictions. Furthermore, the Board shall not subject a lot to any expense of assessment not listed above or which limits or controls the manner of use or enjoyment of any lot unless the proposal receives the affirmative vote of two-thirds (2/3) of the lots in the subdivision and in addition said measure shall not bind any lot which has been improved with a residence unless and until at least one-half (1/2) of the lots containing improvements or residences have voted for the measure, and in the case of unimproved lots, they shall not be bound by any such measure unless and until at least one-half (1/2) of the unimproved lots have voted for the measure. The members of the corporation shall be liable for the payment of such charges and assessments and the same shall be due and payable within thirty (30) days of the mailing of notice of the assessment and the amount thereof to the owner (or at least one owner of multiple owners) of each individual lot. Upon non-payment of the assessments so levied within thirty (30) days after the date of mailing notice thereof, the amount of such assessment, together with all expenses, attorney's fees and costs reasonably incurred by the corporation in enforcing the same, shall constitute a lien upon such lot, superior to any and all other liens except as hereinafter provided, and enforceable by foreclosure proceedings in the manner provided by law with respect to the foreclosure of mortgages upon land, provided, further, that no proceedings for the foreclosure of any such liens shall be commenced until the expiration of four (4) calendar months from and after the date of mailing such notice of assessment as hereinabove set forth.

- 8.2 Real estate contract vendor's liens, first mortgage liens and deeds of trust recorded in accordance with the laws of the State of Washington placed upon any of the lots within the corporation shall from the date of such recordation be superior to the assessments levied by the corporation and the liens resulting therefrom subsequent to the date of such recordation.
- 8.3 Both annual and special assessments must be fixed at a uniform rate for all lots without distinction or preference of any kind based upon the size or type of the particular lot concerned, except that a rate of fifty percent (50%) more for each lot on which the perimeter fence is located may be assessed in accordance with the provisions of Article III, Section 3 of the Declaration of covenants, conditions and restrictions.

#### ARTICLE IX

### AMENDMENTS

9.1 These By-Laws may be amended at any time by a vote of a majority of the members of the corporation at any annual or special meeting of the membership called for such purpose, but may not be amended in any manner so as to make these By-Laws inconsistent with the Articles of Incorporation of the corporation.

ADOPTED this 2nd day of August, 1987.

President

Attest:

Secretary

STATE OF WASHINGTON

SS.

County of Yakima

I certify that I know or have satisfactory evidence that  $\underline{\text{NHN}}$   $\underline{\text{TESKE}}$  and  $\underline{\text{NHN}}$  signed this instrument, on oath stated that they are authorized to execute the instrument and acknowledged it as the President and Secretary of Sunset West Maintenance Association to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: (iuc 13