

ARTICLES OF INCORPORATION OF AUTUMN WIND HOMEOWNERS' ASSOCIATION

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The undersigned person, acting as the incorporator of a corporation under the provisions of the Washington Non-profit Corporation Act (Revised Code of Washington 24.03), adopts the following articles of incorporation for such corporation:

ARTICLE I - NAME

The name of the corporation shall be AUTUMN WIND HOMEOWNERS' ASSOCIATION, hereinafter referred to as the "Corporation".

ARTICLE II - DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE III - PURPOSE AND POWERS

This Corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of the residence lots and Common Areas and Improvements hereinafter referred to as "Common Areas" and to promote the health, safety and welfare of the residents within that certain tract of property described on Exhibit "A" attached to these Articles, and any additional properties as may hereafter be brought within the jurisdiction of this Corporation and for these purposes to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in any of the Declarations and Covenants, Conditions and Restrictions (hereinafter called the "Declarations"), applicable to the properties and as recorded in the office of the King County Recorder and as the same may be amended from time to time as therein provided, said Declarations being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of said Declarations; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation,

including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(d) borrow money, and with the assent of two-thirds (2/3) of the voting members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Areas (as defined in the Declarations) to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. Except as dedicated or transferred by the Declarant during the development period, no such dedication or transfer shall be effective unless an instrument has been signed by seventy-five percent (75%) of the voting members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and common areas, provided that unless otherwise provided in the Declarations any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the voting members;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Washington by law now or hereafter have or exercise.

ARTICLE IV - MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Corporation, including purchasers under real estate contracts, shall be a member of the Corporation. The above definition of a member is not intended to include persons or entities who hold interests in the real property merely as security for the performance of an obligation.

Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Corporation.

ARTICLE V - VOTING RIGHTS

Subject to the suspension of voting rights pursuant to the terms of these Articles, the Bylaws, or the declarations, members shall be entitled to

one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as the multiple owners determine, in accordance with the provisions of the Declarations, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE VI - REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation shall be at 1203 114th Avenue S.E., City of Bellevue, County of King, Washington. The name of the initial registered agent of the Corporation at such address shall be Lozier Homes Corporation.

ARTICLE VII - BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of Directors of not less than three (3) nor more than nine (9) Directors, who need not be members of the Corporation.

The number of directors constituting the initial board of directors of the Corporation shall be three directors. The names and addresses of the persons who are to serve as the initial directors of the Corporation are as follows:

Michael D. Levy
1203 114th Avenue S.E., Bellevue, WA 98004

Paul F. Burckhard
1203 114th Avenue S.E., Bellevue, WA 98004

Gary R. Sanford
1203 114th Avenue S.E., Bellevue, WA 98004

Any change in the number of directors of the Corporation shall be made only pursuant to the Bylaws of the Corporation, provided that no decrease in the number of directors shall shorten the term of any incumbent director.

ARTICLE VIII - INCORPORATOR

The name and address of the Incorporator of the Corporation is as follows:

Lozier Homes Corporation
1203 114th Avenue S.E., Bellevue, WA 98004

ARTICLE IX - DISSOLUTION

The Corporation may be dissolved with the written approval of not less than two-thirds (2/3) of the voting members. Upon dissolution of the

Corporation, other than incident to a merger or consolidation, the assets of the Corporation remaining after application pursuant to RCW 24.03.225 shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X - INDEMNIFICATION

1. Limitation of Liability of a Director. No director or former director of the Corporation shall be personally liable to the Corporation or its members for monetary damages for any conduct as a director; provided, however, that this section shall not eliminate or limit the liability of a director for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director or for any transaction from which the director will personally receive a benefit in money, property, or services to which a director is not legally entitled; and provided, this limitation shall not eliminate or limit the liability of a director for any act or omission prior to the date when this provision becomes effective.

2. Indemnification of Directors and Officers. The Corporation shall indemnify any director (as that term is defined in RCW 23A.08.025, as presently in effect and as hereafter amended) or officer of the Corporation, who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the Corporation, to the full extent allowed by applicable law, as presently in effect and as hereafter amended.

3. Indemnification of Employees and Agents. By means of a resolution or of a contract specifically approved by the Board of Directors, the Corporation may indemnify an employee or agent to such degree as the Board of Directors determines to be reasonable, appropriate, and consistent with applicable law to be in the best interests of the Corporation.

4. Notice. Any indemnification of a director in accordance with this Article shall be reported to the members (if any) in a written report describing the proceeding and the nature and extent of such indemnification.

5. Advances. Reasonable expenses incurred by a director or officer, who is involved in any capacity in a proceeding (as defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the Corporation, shall be advanced by the Corporation to the full extent allowed by applicable law, as presently in effect and as hereafter amended. Reasonable expenses incurred by an employee or agent who is involved in any capacity in a proceeding (as

defined in RCW 23A.08.025, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the Corporation, may be, but is not required to be, advanced by the Corporation prior to the final disposition of such proceeding to the full extent allowed by applicable law, as presently in effect and as hereafter amended.

6. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is a director, officer, employee, or agent of the Corporation or is serving at the request or consent of the Corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability incurred by such person because of such person's status, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article.

7. Designation of Counsel. The Board of Directors of the Corporation shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense.

8. Consistency with Applicable Law. The right to indemnification and limitation of liability conferred by this Article shall be interpreted to conform with, and shall not create any right that is inconsistent with, applicable law, as presently in effect and as hereafter amended.

ARTICLE XI - AMENDMENTS

Amendment of these Articles of Incorporation shall require the consent of seventy-five percent (75%) of voting members. These Articles of Incorporation shall not be amended, modified or superseded without the express written consent of the Incorporator until the end of the Development Period as defined in the Declaration.