

# BYLAWS OF THE AUTUMN WIND HOMEOWNERS' ASSOCIATION

*Note - This consolidated document contains the text of the original document and the undated amendment. It has been created to allow ease of reading and searching but does not supersede the legality of the two original documents. As such, it does not contain the signature blocks from any of the original documents.*

## **ARTICLE I - NAME AND LOCATION**

The name of the corporation is the AUTUMN WIND HOMEOWNERS' ASSOCIATION, hereinafter referred to as the "Corporation". The principal office of the Corporation shall be located at 1203 114th Avenue S.E., Bellevue, Washington, 98004, but meetings of members and directors may be held at such places within the State of Washington, County of King, as may be designated by the Board of Directors.

## **ARTICLE II - DEFINITIONS**

Section 1: "Corporation" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, Restrictions, and Easements of AUTUMN WIND HOMEOWNERS' ASSOCIATION, and such additional properties as may hereafter be brought within the jurisdiction of the Corporation.

Section 2: "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, Restrictions, and Easements of AUTUMN WIND, and such additional properties as may hereafter be brought within the jurisdiction of the Corporation.

Section 3: "Common Area" shall mean Common Areas and Improvements which include:

- a) all the real property (including any improvements thereon) owned by the Corporation for the common use and enjoyment of the Owners, and
- b) those landscaped areas or other community related improvements lying within the street right of way, utility tracts, or easements over building lots granted to the Corporation for such purposes; and which have been landscaped or have had improvements installed by the Declarant or the Corporation for the common beautification and enjoyment of the Properties. (Entry signs, mailbox stands, and landscaped entries, detention ponds, street islands, etc. are the type of areas and improvements included herewith).

Section 4: "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of (1) the Common Area; and (2) tracts dedicated to utility districts and government entities.

Section 5: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot and shall include any persons or entities purchasing a Lot pursuant to the terms of a recorded real estate contract, but said terms shall exclude those having an interest in any Lot merely as security for the performance of an obligation.

Section 6: "Declarant" shall mean Lozier Homes Corporation, a Washington Corporation, and its successors and assigns. The term "successors and assigns" as used in this definition does not include purchasers from the Declarant (or from its successors and assigns) of Lots.

Section 7: "Declarations" shall mean and refer to any of the Declarations of Covenants, Conditions, Restrictions and Easements which may be applicable to the properties recorded in the Office of the King County Recorder, Seattle, Washington.

Section 8: "Member" shall mean and refer to those persons entitled to membership as provided in the Declarations.

Section 9: "Development Period" shall mean the period defined in paragraph 8 of the Declarations.

Section 10: "Initial Board" shall mean the Board of Directors serving during the Development Period.

### **ARTICLE III - MEETING OF MEMBERS**

Section 1: Annual Meetings. The first annual meeting of the members shall be held on the first Monday in November, 1995, and each subsequent regular annual meeting of the members shall be held on the first Monday of November of each year thereafter, at the hour of 7:30 p.m. If the day for the annual meeting is a legal holiday, the meeting will be held at the same hour on the first Monday following which is not a legal holiday.

Section 2: Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote ten percent (10%) of all the votes of the membership.

Section 3: Notice of Meetings. It shall be the duty of the Secretary to mail by first class prepaid United States mail or to cause to be hand-delivered to the Owner of each Lot (as shown in the records of the Association) a notice of each annual or special meeting of the Association. If an owner wishes notice to be given at an address other than the Lot, the Owner shall designate by notice in writing to the Secretary such other address. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be served not less than fourteen (14) nor more than sixty (60) days before a meeting. The notice of any special meeting shall state the date, time, and place of such meeting and the business to be placed on the agenda by the Board of Directors for a vote by the members, including the general nature of any proposed amendment to the Articles of Incorporation, Bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, and any proposal to remove a director.

Section 4: Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

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 or her lot.

#### **ARTICLE IV - BOARD OF DIRECTORS/SELECTION/TERM OF OFFICE**

Section 1: Number. Initially, the affairs of this Corporation shall be managed by a board of three (3) directors, referred to as the Initial Board. At the first annual meeting of members, following the adoption of this amendment of the Bylaws, the Board of Directors shall be fixed at three (3) directors, provided that the Board shall, after the end of the Development Period, have the option to change the number of directors to any odd number between three (3) and nine (9) directors. The members of the Initial Board shall be appointed by the Incorporator or its assigns and shall serve until the first election of a Board of Directors pursuant to these amended Bylaws. The Initial Board shall serve without compensation.

Section 2: Term of Office. The Initial Board of Directors shall act until an election occurs pursuant to Article IV, Section 1. At such meeting, the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years. All subsequently elected members shall serve for a three (3) year term, provided that if the Board elects to increase the number of Board members, the Board shall set the terms of the additional members so as to allow for a reasonable rotation of the terms of the members of the Board.

Section 3: Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the voting members of the Corporation. In the event of the death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

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

Section 5: Action Taken Without a Meeting. The directors and members 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 members or directors as specified in RCW 24.03.465. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS**

Section 1: Nomination. Nomination for election to the Board of Directors 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 Directors, and two or more members of the Corporation. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors 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 non-members.

Section 2: Election. Election to the Board of Directors shall be by secret written ballot. At such election the members of their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declarations and the Articles of Incorporation. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **ARTICLE VI - MEETING OF DIRECTORS**

Section 1: Regular Meetings. 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, but, following the end of the Development Period, at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular meeting schedule shall constitute sufficient notice of such meetings. Prior to the end of the Development Period, only one annual meeting of the Directors shall be required.

Section 2: Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Corporation, or by any two directors, after not less than three (3) days' notice to each director.

Section 3: Quorum. One third (1/3) but not less than two (2) of the number of directors shall constitute a quorum for the transaction of business. 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 4: Open Meetings. All meetings of the Board shall be open to all members. The Board of Directors shall keep minutes of all actions taken by the Board, which shall be available to all members.

Section 5: Executive Sessions. Upon the affirmative vote in open meeting to assemble in closed session, the Board of Directors may convene in closed executive session to consider personnel matters: consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violation of Article of Incorporation, Declaration and/or Bylaws of the Association, and matters involving the possible liability of a member of the Association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The Board of Directors

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 their action adopted, passed, or agreed to in closed session may become effective unless the Board of Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

## **ARTICLE VII - POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1: Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infractions thereof;
- (b) suspend the voting rights and right to use of the Common Area facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Corporation. Such rights may also be suspended after notice and hearing, for a period not to exceed one hundred eighty (180) days for infraction of published rules and regulations;
- (c) exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declarations;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (f) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

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

- (a) 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 when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed;
- (c) as more fully provided in the Declarations, to;

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(d) issue, Or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If such a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Corporation;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Area to be improved and maintained.

Section 3: Ratification of Budgets. Within thirty (30) days after adoption by the Board of Directors of any proposed regular or special budget of the Association, the Board shall set a date for a meeting of the members to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing of the summary. Unless at that meeting the members holding a majority of the votes in the Association reject the budget, in person or by proxy, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the members shall be continued until such time as the members ratify a subsequent budget proposed by the Board of Directors.

Section 4: Limitations on Authority of Board of Directors. Notwithstanding any other provision in these Bylaws, the Board of Directors may not act on behalf of the Association to amend the Articles of Incorporation, to terminate the Association, to elect member of the Board of Directors (other than to fill a vacancy pursuant to Article IV, Section 3), or to determine the qualifications, powers, duties or terms of office of members of the Board of Directors.

## **ARTICLE VIII - OFFICERS AND THEIR DUTIES**

Section 1: Enumeration of Officers. The officers of this Corporation shall be a President and Vice-President; who shall at all times be members of the Board of Directors; a Secretary and 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 Directors following each annual meeting of the members.

Section 3: Term. The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Corporation 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 or without cause by the Board. Any officer may resign at any time 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 may be filled by appointment by the Board. The officer appointed 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 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 Board of Directors, shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes. The President shall prepare, execute, certify, and record amendments to the Articles of Incorporation, the Declaration, and these Bylaws, at the request and under the direction of the Board of Directors, as authorized by the members when applicable.

(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 Corporation 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 Corporation 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 moneys of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Corporation; keep proper books of account; cause unaudited statements of the Corporation books to be compiled 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.

## **ARTICLE IX - COMMITTEES**

The Board of Directors shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## **ARTICLE X - BOOKS AND RECORDS**

Section 1. Financial Records. The Association or its managing agent shall keep financial and other records sufficiently detailed to enable the Association to fully declare to each Owner the true statement of its 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 record to the Association immediately upon termination of the management relationship with the Association, or upon such other demand as is made by the Board of Directors. An Association managing agent is entitled to keep copies of Association records. All records which the managing agent has turned over to the Association shall be made reasonably available for the examination and copying by the managing agent.

Section 2. Membership Records. 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 members, 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 member. The Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records.

Section 3. Financial Statements. At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association. In the event annual assessments by the Association are fifty thousand dollars (\$50,000.00) or more, the financial statements 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 members, in person, or by proxy, at a meeting of the Association at which a quorum is present, vote each year to waive the audit.

Section 4. Association Funds. 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 person responsible for the custody of such funds.

## **ARTICLE XI - ASSESSMENTS**

As more fully provided in the Declarations, each member is obligated to pay the Corporation annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate set by the Board, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or



foreclose the lien against the property, and interest, costs, and reasonable attorneys fees of any such assessments. No Owner may waiver or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

#### **ARTICLE XII - CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: AUTUMN WIND HOMEOWNERS ASSOCIATION--CORPORATE SEAL--STATE OF WASHINGTON--1993.

#### **ARTICLE XIII - AMENDMENTS**

Section 1: These Bylaws may be amended, at regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2: 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 Declarations and these Bylaws, the Declarations shall have control.

#### **ARTICLE XIV - MISCELLANEOUS**

This fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

#### **ARTICLE XV - INDEMNIFICATION**

The articles of incorporation contain provisions providing broad limitation of liability protection and indemnification to directors and officers, and provides further authority to indemnify employees and agents of the corporation

IN WITNESS WHEREOF, we being all of the directors of the AUTUMN WIND HOMEOWNERS' ASSOCIATION, have hereunto set our hands this 28TH day of August, 1995