BYLAWS OF RIDGEVIEW ESTATES HOMEOWNERS ASSOCIATION

ARTICLE I Name and Location

- 1.1 The name of the corporation is RIDGEVIEW ESTATES HOMEOWNERS ASSOCIATION, (hereafter referred to as "Association")
 - 1.2 The mailing address of the Association shall be

but meetings may be held at such places as may be designated by the ¹Board of Directors.

ARTICLE II Definitions

2.1 The terms used in these Bylaws shall have the same meaning and definition as in the Declaration of Covenants, Conditions, Restrictions, and Reservations recorded on August 20, 2008, under Lincoln County Auditor's File Number: 0450244 and amended on January 23, 2009 under Auditor's File No. 0451167; June 22, 2009 under Auditor's File No. 0452453; and February 26, 2010 under Auditor's File No. 0454580 ("Declaration") as may be amended, unless specifically indicated to the contrary.

ARTICLE III Membership and Membership Voting

- 3.1 Every person or entity who has an ownership interest in any Lot ("Owner") shall be a Member of the Association ("Member"). Membership shall be appurtenant to and may not be separated from any Lot. All Members shall have the rights and duties specified in the Declaration.
- 3.2 Members shall have voting rights in the management of the Association. Each person or entity that is a record Owner of a fee or undivided fee interest in any Lot subject to assessment by the Association pursuant to this Declaration shall have one vote for each Lot owned by that person or entity. Notwithstanding the voting rights set forth in this section, there shall be only one recognized vote for each Lot, regardless of the number of record owners of an individual Lot.

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3.3 At every election for directors, each member entitled to vote at such election shall be entitled to multiply the number of votes the member is entitled to cast by the number of directors for whom the member is entitled to vote, and to allocate the product for a single candidate or to distribute the product among two or more candidates.

ARTICLE IV Board of Directors

- 4.1 Management of the Association. The affairs of the Association shall be initially governed by a Board of directors. After the term of the initial Board, the Association will be governed by a board of directors of not fewer than four (4) and not more than nine (9) directors, including one voting representative from Ridge View Heights.
- 4.2 Initial Directors. The terms of office of the initial Directors as identified in the Articles of Incorporation shall be for a period of three (3) years. In the event of resignation of a member of the initial Board of Directors, the remaining Director(s) shall appoint a Director to fill the vacancy from the remaining Owners of the lots not being represented on the Board at the time of the resignation, and such appointed director shall hold term the same period as the initial directors.
- 4.3 Following the completion of the term of office of the initial Directors, the term of office for Directors shall be three (3) years. The Members shall elect the Directors. The length of term and number of Directors may be modified by amendment to these Bylaws.
- 4.4 Any Director may be removed from the Board, with or without cause, by the Members of a majority vote of all lots. In the event of resignation or death, the successor Director shall be selected by the remaining Directors to complete the unexpired term of office. If a Director, by sale or other transfer of all ownership interests, ceases to be an Owner of any lot, said Director shall be considered to have resigned from the Board.
- 4.5 <u>Compensation.</u> No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for the director's actual expenses incurred in the performance of the director's duties.

ARTICLE V Meetings of Directors

5.1 <u>Regular Meetings.</u> Regular meetings of the Board of Directors shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on a day agreed upon by the Board which is not a legal holiday.

- 5.2 <u>Special Meetings.</u> Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days notice to each director. The notice may be verbal, in writing or by electronic mail.
- 5.3 Quorum. A majority 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, unless the act of a greater number is required by the Declaration, Articles of Incorporation, or these Bylaws.
- 5.4 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting in which they could take at a meeting by obtaining the written or electronic mail approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.
- 5.5 <u>Telephone Meetings.</u> Members of the Board of Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other at the same time. Participation by such telephone communications equipment means shall constitute present in person at a meeting.

ARTICLE VI Powers and Duties of Board of Directors

- 6.1 The Board of Directors is empowered to perform all acts specified in the Declaration and Articles of Incorporation and are specifically empowered to:
- 6.1.1 adopt and publish rules and regulations governing the recreational facilities or easements mutually benefitting the Association;
- 6.1.2 employ and\or retain contractors, attorneys, accountants or others as necessary to fulfill the functions and duties of the Board;
- 6.1.3 take any and all actions necessary to comply with the provisions and requirements of the Articles of Incorporation and Declaration of Covenants, Conditions and Restrictions; and
- 6.1.4 suspend the voting rights and right to use and enjoy recreational facilities or easements mutually benefitting the Association of a Member during the period of time such Member is in default in the payment of any assessment for a period exceeding sixty (60) days after the imposition of an assessment.
 - 6.2 The Board of Directors shall have the duty and be obligated to:
- 6.2.1 cause to be maintained all easements and recreational facilities mutually benefitting the Association, including but not limited to the common areas, any common utilities

and roadways located therein to the extent they are not maintained by a public utility or public agency;

- 6.2.2 procure and maintain adequate insurance for the recreational facilities;
- 6.2.3 supervise all officers, agents, and employees to see that their respective duties are properly performed; and
- 6.2.4 perform all duties necessary to comply with the provisions and requirements of the Articles of incorporation, the Declaration and these Bylaws.

ARTICLE VII Committees

- 7. l Committees of Directors. The Board may appoint one (1) or more committees that 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 in the management of the Association. If a committee is not composed entirely of Board members, it shall not have the authority of the Board in the management of the Association. The appointment of any such committee shall not relieve the Board of its ultimate responsibility for the administration and management of the Condominium.
- 7.2 <u>Other Committees</u>. Other committees, not having or exercising the authority of the Board in the management of the Association, may be appointed by the President or the Directors, and such committees may be composed of one or more members of the Association.
- 7.3 <u>Limitation on Committees</u>. No committee shall have the authority to amend the articles of incorporation; adopt or amend bylaws; recommend the sale, lease or transfer of substantially all the assets of the Association; recommend a voluntary dissolution of the Association; declare distributions; make assessments; approve a plan of merger, consolidation or exchange; or take any action prohibited under RCW 24.03 or otherwise reserved to the full Board of Directors or to the members of the Association.

ARTICLE VIII Meetings of Members

8.1 An annual meeting of the Members shall be held as set forth in the Declaration. Notice of the meetings shall be provided to the Members. Unless otherwise provided in the Declaration, the Articles of Incorporation or these Bylaws, the presence at a meeting of twenty percent (20%) of the membership shall constitute a quorum for the purpose of doing business.

A member may vote in person, by mail, by electronic transmission, or by proxy executed in writing by the member or their duly authorized agent. A vote submitted by mail, electronic transmission, or proxy is effective when received by the director, officer, or agent authorized to tabulate votes and must be received prior to the closing of the voting on the matter submitted to a vote in order to be effective. Members voting by mail, electronic transmission, or

proxy are present for all purposes of quorum, count of votes, and percentages of total voting power present. The Board of Directors shall designate the address, location, or system to which votes may be electronically transmitted, in an executed electronically transmitted record. The Board of Directors can send a proposal to the membership for voting by electronic transmission or mail. In doing so, they can indicate that the member's vote must be sent either by electronic transmission or mail. They may indicate that the member's vote must be received before the close of voting and also include instructions to the members that failure to submit a vote on the proposal before the close of voting will be considered as a vote to approve the proposal.

8.2 Any action required to be taken at a meeting of the members or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in the form of a record, setting forth the action so taken, shall be executed by all of the members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or record filed with the secretary of state under this chapter.

ARTICLE IX Officers and Their Duties

- 9.1 The officers of this Association shall be a President and Vice-President, who shall be Directors, a Secretary and Treasurer and such other officers as the Board of Directors may create by resolution. Officers shall be elected by the Board of Directors.
- 9.2 The President shall preside at meetings of the Board of Directors; shall see that resolutions of the Board are implemented; and shall sign all leases and other written instruments on behalf of the Association.
- 9.3 The Vice-President shall act in place and stead of the president in the event of his absence or inability to act and shall discharge such other responsibilities and duties as may be required of him by the Board.
- 9.4 The Secretary shall record votes and maintain minutes of the proceedings of the Board and shall sign all resolutions of the Board.
- 9.5 The Treasurer shall be responsible for the receipt and deposit in bank accounts all monies of the Association and disbursement of such funds as directed by resolution of the Board.

ARTICLE X Assessments

10.1 An annual fee shall be fixed, levied, and collected as provided in the Declaration. Each Member is obligated to pay to the Association annual and special assessments, and other charges, fines, or penalties. All such charges or fees are secured by a continuing lien upon the Property against which the assessment or other charge is made. Any assessments or other charges which are not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at the rate of 12 percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment or other charges. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas and Common Maintenance Areas or abandonment of the Owner's Lot. The personal liability of any Owner for

delinquent assessments or other charges shall not pass to his or her successors in title unless expressly assumed by them. Liens for delinquent assessments and other charges shall be recorded in the office of the County Recorder.

- 10.2 The Association shall establish the necessary funds or accounts to provide properly for the operation and maintenance of the Association. The Treasurer shall be responsible for supervising the funds of the Association. There shall be at least three (3) separate funds as described in this Article.
- 10.3 Working Capital Fund. There shall be established a checking account in a commercial bank to be known as the "Working Capital Fund." This fund will be used for the normal operation of the Association and will receive all annual Assessments, first purchasers' initial contributions to the fund, and other monies received by the Association. Checks shall be issued from this account for all management and operation expenditures necessary for the Association and maintenance expenses of a routine or minor nature that do not require resort to the Reserve Fund for Common Elements or Special Assessment Fund. Funds for the Reserve Fund for Common Elements and the Special Assessment Fund will normally be deposited in the Working Capital Fund and checks immediately issued to the other fund so an overall account of the funds received and disbursed by the Association is centralized in the check register of the Working Capital Fund account.
- 10.4 <u>Reserve Fund for Common Elements.</u> The Association shall maintain a fund which shall be known as the "Reserve Fund for Common Elements." The Treasurer shall deposit to this reserve account amounts reasonably anticipated to be required for the periodic maintenance, repair, and replacement of the Common Elements.
- 10.5 <u>Special Assessment Fund.</u> The Association shall maintain a fund which shall be known as the "Special Assessment Fund." The Treasurer shall deposit to this account amounts collected as a special assessment for capital expenditures, improvements and major repairs of the Common Elements.
 - 10.6 The annual assessment may be increased as follows:
 - 10.6.1 The annual assessment may be increased by approval of twenty-five percent (25%) of the Lot Owners, except that the Board of Directors may increase the annual assessments any year by up to twenty percent (20%) without a vote of the Members.
- 10.7 Special assessments may be levied by the Association upon affirmative super majority vote of not less than two-thirds (2/3) of the Association Lots through the Members voting in person or by proxy at a meeting duly called for this purpose.

10.8 The Board of Directors shall fix the annual and special assessment in accordance with the above recited standards with annual assessments made in January of each year and due no later than February 28th.

ARTICLE XI Rights and Obligations of Members

11.1 Each Member shall observe and promote the purposes set forth in the Declaration and comply strictly with all provisions of the Declaration. Each Member shall use the recreational facilities or easements mutually benefitting the Association in accordance with the purpose for which it is intended without impairing the rights of enjoyment of other Members.

ARTICLE XII Amendment to Bylaws and Articles of Incorporation

- 12.1 The Articles of Incorporation may be amended upon affirmative super majority vote of not less than two-thirds (2/3) of the Association Lots through the Members voting in person or by proxy at a meeting duly called for this purpose.
- 12.2 These Bylaws may be amended by the affirmative vote of a majority of the Board of Directors.

ARTICLE XIII Adoption

These articles are duly adopted by the Association on this	day of	202
Name:		
Title:		
Date:		