

**ARTICLES OF INCORPORATION
POINT RICHMOND RIDGE HOMEOWNERS ASSOCIATION**

Filed State of Washington Jan 14 1997
Ralph Munro Secretary of State

KNOW BY ALL THESE PRESENTS:

The undersigned Incorporator of a corporation under the provisions of the Washington Nonprofit Corporation Act adopts the following Articles of Incorporation therefor.

1. **NAME.** The name of the corporation shall be Point Richmond Ridge Homeowners Association.
2. **INCORPORATOR.** The Incorporator is D. Ren Martin, 12507 122nd Street East, Puyallup, Washington 98372.
3. **DURATION.** The period of the corporation's existence shall be perpetual.
4. **INITIAL REGISTERED OFFICE AND AGENT.** The initial registered agent of the corporation shall be D. Ren Martin. His address, being also the address of the corporation's initial registered office, is 12507 122nd Street East, Puyallup, Washington 98372.
5. **PURPOSES.** The corporation is organized for purposes of serving as a homeowners association, pursuant to Chapter 64.38, Revised Code of Washington, its members being owners of residential lots within the subdivision of Point Richmond Ridge, Pierce County, Washington, and the primary purposes being those of assuring maintenance of the subdivision's common areas and enforcements of its protective covenants.
6. **MEMBERS.** Members of the corporation shall at all times include, and only include, owners of lots (both improved and unimproved) within the residential subdivision of Point Richmond Ridge, Pierce County, Washington.
7. **DIRECTORS.** Initially, the corporation shall have one Director, being D. Ren Martin, 12507 122nd Street East, Puyallup, Washington 98372. At such date as he deems appropriate for orderly management of the corporation's affairs, but in any event not later than ninety days following the developer's initial sales of seventy or more lots within the subdivision, the initial Director shall appoint five persons from the corporation's Membership (of whom one may be, at his election, D. Ren Martin) to succeed him as the corporation's Board of Directors. Each person so appointed shall serve for a term of five years, and until his or her successor is qualified. Thereafter, at the expiry of the term of any member of the Board of Directors, occurring in the ordinary course, his or her successor shall be elected by a majority vote of those casting votes at the next succeeding annual meeting of the Membership. All other vacancies shall be filled by the remaining members of the Board of Directors, their appointees to serve the balance of the remaining Term of the Director whose position was vacated. The office of a member of the Board of Directors shall be automatically vacated if that person ceases to be a Member of the corporation.
8. **OFFICERS.** Pending appointment of the first five member Board of Directors, responsibilities of the corporation's officers shall be performed by the initial single Director. Thereafter, the Board of Directors shall select from their members persons to serve as the corporation's president, vice president and secretary-treasurer, for terms and with responsibilities as may be assigned by the Board of Directors and expressed in the Bylaws.
9. **BYLAWS.** The Board of Directors may adopt, and from time to time repeal or amend, such Bylaws as in the Board's discretion may best serve the purpose of providing for regulation and management of the corporation's affairs. All bylaws must be consistent with, and construed as supplementary to, the Articles of Incorporation.

10. DISTRIBUTION ON DISSOLUTION. In the event of dissolution net assets of the corporation shall be distributed to the then Members, *pro rata* to their ownership of lots within Point Richmond Ridge, in undivided shares as tenants in common, unless Members by majority vote choose to form a successor corporation or equivalent organization and assign the corporation's net assets to it.

11. BOARD'S POWERS. In fulfilling the corporation's purposes (and except for powers expressly reserved for exercise by the corporation's Members, as set forth hereafter) the Board of Directors shall possess and may exercise all of the authority acknowledged or allowed by RCW 24.04.035 and RCW 64.38.020. PROVIDED: In performing its responsibility for assuring the continuing maintenance of the private road system serving Point Richmond Ridge the Board of Directors shall be guided by, and conform to, Pierce County private road standards; and, in performing its responsibility for protecting other common areas, the Board of Directors shall be guided by, and conform to, Pierce County Development Regulations for Gig Harbor, or such duly adopted regulations as succeed to those just mentioned.

12. MEMBERSHIP MEETINGS.

a. Persons owning residential lots in Point Richmond Ridge shall be entitled to participate in membership meetings, and to cast votes at such meeting, in the ration of one vote per lot. For purposes of these Articles, persons "own" one or more lots if at the time in question such persons hold present possessory interests therein. If at any time more than one individual holds a present possessary interest in a lot the individuals so situated shall designate one of their number to represent the lot's ownership. That person shall be entitled to the notices given owners, and shall be entitled to cast the vote associated with that lot at all membership meetings. Designation of the representative owner shall be in writing, signed by all holders of present possessory interests in the subject lot, and delivered to the Board of Directors, in such form and manner as the board directs. In the absence of designation the Board of Directors is empowered to appoint from the persons holding present possessory interests in any lot one of their number to act as "owner" for purposes of notification, participation and voting.

b. Not later than one hundred twenty days following appointment of the corporation's first five member Board of Directors that Board shall call the first annual meeting of Members. Thereafter, annual membership meetings shall be conducted at the time and place directed by the Board of Directors. Special membership meetings may be called at other time, by the president; a majority of the Board of Directors; or by owners collectively holding at least ten percent of the total votes of all Members.

c. Not less than fourteen nor more than sixty days in advance of any meeting the secretary shall cause notice thereof to be personally delivered or sent by first class postage, postage prepaid, to the last known mailing address of each Member. The notice shall describe the meeting's time and place, and shall identify business, if any, which the Board of Directors has determined shall be subject to vote by Members, including any budget or changes in a previously approved budget; any proposal to remove a Director; and any proposed amendment to the Articles of Incorporation.

d. A quorum shall be deemed present at any duly called membership meeting if ten percent or more of the owners entitled to vote are present in person or by proxy at the commencement of the meeting.

e. An owner may provide a written proxy to another owner, and upon delivery of the same to the secretary the owner to whom the proxy was given may cast votes for and on behalf of the absent owner.

13. BUDGET PROPOSALS AND ADOPTION. Prior to each annual membership meeting the Board of Directors shall adopt a budget for the next annual period. A summary of the budget so adopted shall be included with the notice of the annual meeting furnished to Members; and the agenda for the membership meeting shall include consideration of the question of ratifying the budget. The budget as adopted by the Board of Directors shall be deemed ratified by the Members unless at the annual meeting where it is considered owners of at least sixty lots vote to reject it. If a budget is thus rejected the most recently adopted and ratified annual budget shall become the budget for the annual period to which the rejected budget pertained.

14. FINES AND ASSESSMENTS.

a. The Board of Directors may adopt, amend, and publish as it deems appropriate a schedule of reasonable fines for violations of protective covenants applicable to Point Richmond Ridge and for violations of such regulations as the Board adopts for protection of common areas. The Board shall prescribe procedures to be followed in citing persons for violations, determining responsibility for the same, and imposing fines. All processes available for collecting assessments shall be available for collecting fines duly imposed. As determined by the Board of Directors, net proceeds of collected fines shall be applied to repair or restoration of common areas or to covenant enforcement activities.

b. Following every annual budget's ratification the Board of Directors shall develop and adopt a schedule of assessments sufficient to pay anticipated costs of performing the corporation's activities and operations during the annual period to which the budget pertains. Assessments so adopted shall be known as regular assessments. The regular assessment for each Point Richmond Ridge residential lot shall be equal to the regular assessment for every other such lot. Each budget and annual assessments based on it shall be sufficient to assure maintenance of the private road system (including the entire roadway surface, shoulders, signs, storm drainage facilities and vegetation control) in accordance with Pierce County maintenance standards, and to permit such vehicular traffic as may be reasonable and necessary in order that all residents may enjoy full and free use of their properties. Additionally, each budget and annual assessment based on it shall be sufficient to assure protection of, and, where appropriate, usefulness for, the benefit of all residents, of common areas other than roads, as well as compliance with applicable governmental standards relating thereto.

c. The Board of Directors may from time to time establish and adopt a schedule of one or more exceptional assessments, to be collected from the owner(s) of any lot whose usage of the private road system has been extraordinary, requiring payment of expenses of repair or maintenance over and above that required by normal usage.

d. Every owner shall pay regular assessments, exceptional assessments and/or fines applicable to that owner's lot within thirty days following transmittal to that owner (or that owner's last known address) of a statement detailing the same.

e. In event of nonpayment, partial payment, or delay in payment of any assessment or fine the Board of Director's or its designee shall promptly, on the corporation's behalf, pursue formal collection efforts, including, if deemed necessary, litigation, to recover the same. Any delinquent assessment or fine shall bear interest at 12% per annum from its due date through the date of its payment. The corporation shall be entitled to recover, in addition to all other available legal remedies, its actual costs of collection, including reasonable attorneys fees.

f. The Board of Directors may in its discretion and on such terms as it deems in the corporation's best interests employ a person or firm as the corporation's "managing agent," empowering the appointee to perform any of the record keeping functions identified in RCW 64.38.045, and also empowering the appointee to act for the corporation in collecting delinquent assessments and fines, and all related remedies. In the Board's discretion the appointee may be, but need not be, an owner or a member of the Board of Directors.

Executed by the Incorporator January 13th, 1997

D. REN MARTIN