

Kingsgate Highlands, Divisions 3 and 4 Homes Association Articles of Incorporation

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, being the President of Kingsgate Highlands, Divisions 3 and 4 Homes Association, currently unincorporated, for the purpose of forming a non-profit corporation under the laws of the State of Washington, does hereby certify the following to be agreed Articles of Incorporation of such corporation (hereinafter for convenience referred to as "Association"):

Article I: The name of this corporation is Kingsgate Highlands, Divisions 3 and 4 Homes Association.

Article II: The initial registered agent of the corporation is Christine Ford and the initial registered office of the corporation shall be 14004 - 119th Street NE, Kirkland, Washington (98033).

Article III: The duration of this corporation shall be perpetual.

Article IV: This corporation shall have no capital stock and no shares therein or certificates therefor shall issue. This corporation does not contemplate pecuniary gain or profit.

Article V: This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for architectural control of the residence Lots and maintenance and preservation of the Common Area within that certain tract of property described as: All property in a plat entitled Kingsgate Highlands, Division 3, according to plat recorded in Volume 81 of Plats, at pages 17, 18, and 19 of the records of King County, Washington, and Division 4, according to plat recorded in Volume 82 of Plats, at pages 95 and 96 of the records of King County; and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association by annexation, as provided in Article XI.

Article VI: This Corporation shall have all the powers, privileges and authority permitted by law and in addition shall have the following further purposes and powers to the extent this corporation may legally exercise the same:

Section 1. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association contemplated by that certain Declaration of Covenants, Conditions and Restrictions, herein called the "Declaration", applicable to the property described in said Article V as recorded in King County, Washington and as the same may be amended from time to time as provided therein.

Section 2. To care for vacant, unimproved and unkempt land in said property, remove and destroy grass, weeds and rodents therefrom, and any unsightly and obnoxious thing therefrom, and to do any other things, and perform any labor necessary or desirable in the judgment of this Association to keep the property and the land contiguous and adjacent thereto neat and in good order.

Section 3. To pay the taxes and assessments, if any, which may be levied by any governmental authority upon roads and parks in said property, and any other open spaces maintained, and lands used or acquired for the general use of the Owners of Lots or building sites within said property, and on any property of this Association, or which may be held in trust for this Association.

Section 4. To enforce charges, restrictions, conditions and covenants existing upon and created for the benefit of said property over which this Association has jurisdiction; to pay all expenses incidental thereto; to enforce the decisions and rulings of this Association having jurisdiction over any of said property; to pay all of the expenses in connection therewith and to fix, levy, collect and

enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

Section 5. The Association, pursuant to said Declaration and otherwise by appropriate by-law adopted from time to time or by resolution of its Board of Trustees adopted from time to time, may collect funds for the expenses of the Association and to meet the costs of its operations including the cost of licenses, franchises, taxes and governmental charges affecting any of the Properties or activities of the Association and may fix the rate per square foot or otherwise for annual charges or other assessments to which each parcel of said property which is improved with a dwelling house shall be subject. Such charges and assessments shall be established from time to time, pursuant to said Declaration or in accordance with such bylaws or resolutions shall constitute a lien upon each parcel until paid but as a lien shall be subordinate and inferior at all times to any mortgage or mortgages now recorded or hereafter recorded as to any of said property.

The Association may on request, execute and record such further subordination agreements which may be at any time by the Board of Trustees seem appropriate to further assure the priority of mortgages upon any of said property, but this provision shall not imply that any further or other subordination agreement is necessary. Assessments must be levied at uniform rates against all the lots owned by members. Said charges and assessments shall be a lien enforceable by the Association in a manner substantially the same as provided by law for the collection and enforcement of mortgages together with all costs incurred by the Association including costs of title examinations, searches and reports, and for reasonable expenses, and fees of attorneys. The due date, the rate of interest, penalties, late charges and other sanctions relative to charges and assessments and delinquencies therein, the procedure for dealing with delinquent accounts, and collection and enforcement of same shall be as prescribed from time to time in such Declaration or in such bylaws or resolution of the Board.

Section 6. To provide for the maintenance of tennis courts, playgrounds, water areas and other community features on land set aside for the general use of the members of said Association; and to do any and all lawful things and acts which this Association at any time, and from time to time, shall, in its discretion, deem to be to the best interests of said property and the owners of the building sites thereon, and to pay all costs and expenses in connection therewith.

Section 7. To acquire, by gift, purchase, or otherwise to own, hold, enjoy, lease, operation, maintain, and to convey, sell, lease, transfer, mortgage, or otherwise encumber, dedicate for public use, or otherwise dispose of real or personal property in connection with the business of the Association.

Section 8. To expend the monies collected by this Association from Assessments or charges and other sums received by this Association for the payment and discharge of all proper costs, expenses and obligations incurred by the Association in carrying out any or all of the purposes for which this Association is formed.

Section 9. To borrow money; to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, and to do any and all things that an association organized under the laws of the State of Washington may lawfully do, and generally to do and perform any and all other acts which may be either necessary for, or proper and incidental to the exercise of any of the foregoing powers, and such powers as are granted by the provisions of the laws of the State of Washington to a non-profit corporation.

Section 10. To do any and all lawful things which may be advisable, proper, and authorized or permitted to be done by this Association under and by virtue of any condition, covenants, restriction, reservation, charge, or assessment affecting said property, or any portion thereof, and

to do and perform any and all acts which may be either necessary for or incidental to the exercise of any of the foregoing powers, or for the peace, health, comfort, safety, or general welfare of the owners of said property, or any portion thereof, or residents thereon, and to have and to exercise all powers, rights and privileges which by law this corporation may now or hereafter have or exercise.

Article VII:

Section 1. The affairs of this corporation shall be managed by a Board of Trustees. The number of trustees shall be nine. The names and addresses of the persons who shall be trustees of the Association until the election of their successors, are as follows:

1. Christine Ford
14004 - 119th St. NE
Kirkland WA 98003
2. Richard A. Herrin
13910 - 120th Avenue NE
Kirkland WA 98003
3. Patricia Bakke
14355 - 121st Avenue NE
Kirkland WA 98003
4. Al Main
11833 - NE 142nd St.
Kirkland WA 98003
5. Jan Stefnik
11825 NE 141st Place
Kirkland WA 98003
6. Gary Carlsen
14104 - 119th Street NE
Kirkland WA 98003
7. Ruth Draves
12211 NE 143rd Place
Kirkland WA 98003¹
8. Elling Anderson 11020 NE
140th Place
Kirkland WA 98003
9. Nanci Peterson
13911 120th Avenue NE
Kirkland WA 98003²

Section 2. The time and manner of electing trustees, the tenure of office, the provision for resignation and the provisions for filling vacancies shall be as prescribed in the bylaws.

¹ Pen and ink change in original document filed with the State of Washington. Name was originally "Ruth Graves"

² Pen and ink change in original document filed with the State of Washington. Original Trustee Nine was "Max Fox" residing at a different address

Section 3. The initial board of directors shall serve out their terms of office pursuant to the elections conducted by predecessor unincorporated association. At each future annual meeting, the members shall elect three trustees for a term of three years.

Article VIII: Membership

Section 1. 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 Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest 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 Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. All rights and privileges of membership shall cease as to any person upon ceasing to be an owner of record or purchaser by contract of record of a dwelling house site in said property.

Section 3. A membership delinquent in the payment of charges, assessments or dues levied by the Association in its regular course of operation shall be subject to such limitations, restrictions, sanctions, penalties, suspension and termination as may be prescribed from time to time in the bylaws.

Section 4. No membership shall be transferable except as an incident to the transfer of the dwelling house site to which it is appurtenant.

Article IX: Voting Rights. The corporation shall have on class of voting membership. Each member shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article VIII. When more than one person holds such interest in any lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Article X: Liabilities. The highest amount of indebtedness or liability, direct or contingent, to which this Association may be subject at any one time shall not exceed 150 percent of its income for the previous fiscal year, provided that additional amounts may be authorized by the assent of 2/3rds of the membership.

Article XI: Annexation of Additional Properties. The Association may, at any time, annex additional residential properties and common areas to the properties described in Article V, and so add to its membership under the provisions of Article VII, provided that any such annexation shall have the assent of 2/3rds of the entire voting power of the Association.

Article XII: Mergers and Consolidations. To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of 2/3rds of the entire voting power of the Association.

Article XIII: Authority to Mortgage. Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of two-thirds of the entire voting power of the Association.

Article XIV: Authority to Dedicate. The Association shall have power to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds of the votes of the entire membership.

Article XV: Dissolution. The Association may be dissolved with the assent given in writing and signed by members entitled to cast two-thirds of the votes of the entire membership. Upon dissolution of the

Association, the assets, both real and personal of the Association, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. 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 purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

Article XVI: Meetings for Actions Governed by Articles X through XV. In order to take action under Articles X through XV, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting shall be given to all members not less than thirty days nor more than sixty days in advance of the meeting. The presence of members or of proxies entitled to cast sixty percent of the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting. In the event that two-thirds of the voting membership are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

Article XVII: Amendments. Amendment of these Articles shall require the assent of seventy-five percent of the entire membership.

Article XVIII: Bylaws. Bylaws shall be adopted by the membership of the corporation according to law and may be amended from time to time in the manner therein prescribed and, in addition, so long as not inconsistent with these Articles of Incorporation or such Bylaw, the Board of Trustees may by resolution adopt regulations for the government and management of the business affairs and activities of the Association and access to and enjoyment of its property and facilities subject to the revocation or amendment thereof by the membership.

IN WITNESS WHEREOF, the undersigned, being the President of Kingsgate Highlands, Divisions 3 and 4 Homes Association acting as incorporator does cause these presents to be duly and regularly executed by due authority at Kirkland, Washington, this 21st day of September 1981.

s/ Christine Ford
CHRISTINE FORD

STATE OF WASHINGTON)
 : ss.
COUNTY OF KING)

On this 21st day of September, 1981, before me, the undersigned, Notary Public for Washington, residing at Seattle, personally appeared CHRISTINE FORD, to me known to be the President of the Corporation that executed the foregoing document, and acknowledged to me that said instrument was the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

s/ Curtis J. Coyne
CURTIS J. COYNE, NOTARY PUBLIC for
Washington, residing at Seattle

Filed November 12, 1981
State of Washington - Department of State Domestic Non-profit Corporation
File Number 2-315915-5
Microfilm roll No. 1603, Page 483-491