

BYLAWS
OF
THE BELMOOR HOMEOWNERS' ASSOCIATION
a Washington corporation

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BY THE DEPARTMENT OF
RECORDS & ELECTIONS
KING COUNTY

ARTICLE I
DEFINITIONS

1.1 WORDS DEFINED. For the purposes of these Bylaws, the following terms shall have the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

- 1.1.1 "Association" shall mean Belmoor Homeowners' Association, a corporation organized and existing under the Washington Non-profit Corporation Act.
- 1.1.2 "Board" shall mean the Board of Directors of the Association.
- 1.1.3 "Common Property" shall mean the property owned by the Association which shall be the entry area to the Plat, the street island or islands on the Plat, the retention pond on the Plat, the perimeter fence around the Plat and the drip irrigation system on the Common Property.
- 1.1.4 "Declarant" shall mean Sherman Development, Inc.
- 1.1.5 "Declaration" shall mean the Declaration of Covenants, Conditions, Restrictions, and Reservations for Belmoor, as it may from time to time be amended.
- 1.1.6 "Lot" shall mean any one of the 18 lots numbered 1 through 18 on the Plat of Belmoor, together with the Structures and improvements thereon.
- 1.1.7 "Owner" shall mean, whether one or more persons or entities, a fee simple owner to a Lot within the Property, including Participating Builders but excluding mortgagees or other persons or entities having such interest merely as security for the performance of an obligation. Purchasers or assignees of purchasers under a recorded real estate contract shall be deemed Owners as against their respective sellers or assignors.
- 1.1.8 "Participating Builder" shall mean a person who acquires from Declarant or other party one or more

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Lots for the purpose of improving the same for resale to future Owners.

- 1.1.9 "Person" shall mean an individual, corporation, partnership, association, trustee, or other legal entity.
- 1.1.10 "Plat" shall mean the recorded Plat of Belmoor as filed with King County, Washington and any amendments, corrections, or addenda thereto subsequently recorded.
- 1.1.11 "Property" shall mean the land and all improvements and Structures now or hereafter placed on the land within the Plat of Belmoor.

ARTICLE II BELMOOR HOMEOWNERS' ASSOCIATION

2.1 FORM OF ASSOCIATION. The Owners of Lots within the Property shall constitute the Belmoor Homeowners' Association, which will be a nonprofit organization in the form as determined in the reasonable discretion of the Board.

2.2 MEMBERSHIP IN ASSOCIATION. Every Lot Owner, by acceptance of a deed or contract for such Lot is hereby deemed to covenant and agree to membership in the BELMOOR HOMEOWNERS' ASSOCIATION, which is established for the purpose of owning the Common Property and of maintaining, repairing, replacing or improving any such Common Property or any improvements thereto and for enforcing the Declaration. Such membership shall be appurtenant to the Lot owned by such Owner and may not be transferred except by sale or transfer of the Lot itself. Every Lot Owner is further deemed to covenant and agree to pay when due all dues, assessments, or other charges that may be levied from time to time by BELMOOR HOMEOWNERS' ASSOCIATION, in accordance with these Bylaws and/or the Articles of Incorporation of such Association, and any sums not paid within thirty (30) days of the date due shall become a continuing lien on the Lot owned, which lien may be foreclosed by the Association. Any lien created hereby shall be subordinate only to any duly recorded purchase money mortgage, deed of trust or real estate contract which appears as a first lien against the lot.

2.3 BOARD OF DIRECTORS. The affairs of the Association shall be governed by a Board of Directors (the "Board") which shall be composed of one or more members, to be determined in the reasonable discretion of the Board. The initial Board shall be composed of William A. Sherman, Jr., only. Subject to any specific requirements hereof, the Board shall have authority to establish operating rules and procedures. In the event of death or resigna-

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tion of any member or members of the Board, the remaining member or members, if any, shall have full authority to appoint a successor member or members. Members of the Board shall not be entitled to any compensation for services performed pursuant to this Declaration. When one hundred percent (100%) of the Lots are conveyed to Owners and without further action by any Person or Persons, (i) the term of the initial Board member(s) or their successors shall end, and, (ii) the initial Board member(s) and their then successors shall be released from any and all liability whatsoever for claims arising out of or in connection with these Bylaws. Declarant shall be indemnified from any claims arising after the expiration of the initial Board term.

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2.4 ANNUAL AND SPECIAL MEETINGS. Within thirty (30) days after the expiration of the term of the initial Board, there shall be a meeting of the members of the Association and thereafter there shall be an annual meeting of the members of the Association in the first quarter of each fiscal year at such reasonable place and time as may be designated by written notice from the Board delivered to the Owners no less than thirty (30) days before the meeting. At the first such meeting and at each annual meeting thereafter, the Owners shall elect by majority vote individuals to serve as Board members until successor members are elected at the next annual meeting. Each Lot shall be entitled to one vote for each director and the voting for directors shall be non-cumulative. The financial statement for the preceding fiscal year (if any) and the budget the Board has adopted for the pending fiscal year shall be presented at the annual meeting for the information of the members. Special meetings of the members of the Association may be called by the Board at any time upon not less than fourteen (14) days prior written notice to all Owners for the purposes of considering matters which require the approval of all or some of the Owners, or for shorter notice than 14 days if the Board deems it in the best interest of the Association.

2.5 BOOKS AND RECORDS. The Board shall cause to be kept complete, detailed, and accurate books and records of the receipts and expenditures (if any) of the Association, in a form that complies with generally accepted accounting principles and practices. The books and records, authorizations for payment of Association shall be available for examination by the Lot Owners. Mortgagees and the agents or attorneys of Owners or Mortgagees shall have the right to examine the books and records of the Association during normal business hours and at any other reasonable time or times.

2.6 NOTICES FOR ALL PURPOSES. Any notice required hereunder shall be deemed effective when personally delivered or when mailed by certified mail to the Owner of public record at the time of such mailing to such Owner's address as appears on the King County Tax Records.

**ARTICLE III
AUTHORITY OF THE BOARD**

3.1 ADOPTION OF RULES AND REGULATIONS. The Board is empowered to adopt, amend and revoke on behalf of the Association detailed administrative rules and regulations necessary or convenient from time to time to insure the compliance with these Bylaws and the Covenants, Conditions and Restrictions of the Plat in order to promote the comfortable use and enjoyment of the Property and for the purpose of the enhancing and protecting the value, desirability, and attractiveness of the Property, and to govern the operation and procedures of the Association.

3.2 ARCHITECTURAL CONTROL COMMITTEE. The Board shall appoint the architectural control committee (ACC), whose duties are defined in the Declaration. The ACC shall serve at the pleasure of the Board.

3.3 ENFORCEMENT OF BYLAWS AND DECLARATION. The Board shall have the right to enforce any provision of these Bylaws or the provisions of the Declaration and to recover damages resulting from any violation thereof by a proceeding at law or in equity. The ACC shall also have the right to enforce the Declaration and to recover damages resulting from any violation thereof by a proceeding at law or in equity. Thirty (30) days after written notice to the Owner of any Lot setting forth a violation, the Board, the ACC or the agent of either may enter upon such Lot, which entry shall not be deemed a trespass, and take whatever steps are necessary to correct the violation. The expenses thereof, if not paid by such Owner within thirty (30) days after written notice and billing, may be filed as a lien upon such Lot. Failure of the Board or the ACC to enforce any provision shall in no event be deemed a waiver of the right to do so. In the event of legal action, the prevailing party shall be entitled to recover actual costs and attorney fees.

3.4 GOODS AND SERVICES. The Board shall acquire and pay for as common expenses of the Association all goods and services reasonably necessary or convenient for the efficient and orderly maintenance of all portions of the Common Property and any related facilities or improvements not maintained by public utility companies or a governmental entity.

**ARTICLE IV
OFFICERS AND THEIR DUTIES**

4.1 The officers of this Association shall be a President, a Vice President and a Secretary/Treasurer and such other officers as the Board may create by resolution.

4.2 The officers of this Association shall be elected annually by the Board following each annual meeting of the Members and shall hold office for one year, unless they shall sooner resign or shall be removed or otherwise disqualified to serve. The first officers shall be appointed by the Board at the organization meeting of Belmoor.

4.3 A vacancy in any office may be filled by the Board.

4.4 The duties of the officers are as follows:

4.4.1. President. The President shall preside at all meetings of the Board of Directors, see that the orders and resolutions of the Board are carried out, sign all leases, mortgages, deeds and other written instruments and co-sign all checks.

4.4.2. Vice President. The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and discharge any other duties as may be required by the Board.

4.4.3. Secretary/Treasurer. The Secretary/Treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Association and as Treasurer, shall receive and deposit in appropriate bank accounts all monies of the Association and disburse funds as directed by resolution of the Board of Directors, sign all checks and promissory notes of the Association, keep proper books of account and prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting.

ARTICLE V BUDGET AND ASSESSMENT FOR COMMON EXPENSES

5.1 FISCAL YEAR. Preparation of Budget. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year will be the calendar year. As soon as the Board shall establish a budget for the anticipated common expenses during the ensuing fiscal year. The Board shall then assess each Lot within the Property with a General Assessment based upon the pro rata share of the number of Lots then within the Property, of such estimated costs. The Board, at its election, may require the Lot Owners to pay the amount assessed in equal monthly or quarterly installments or in a lump sum annual installment. The Board shall notify each Owner in writing at least ten (10) days in advance of each assessment period

of the amount of the assessment for said period, which notice shall be accompanied by a copy of the budget upon which the assessment is based. Such 10-day notice of assessment is not necessary to the validity thereof.

5.2 COMMON EXPENSES. Common expenses shall include the cost of liability and casualty insurance in whatever amount is reasonable and deemed appropriate. The responsibility for the common expenses herein shall be administered by said Association. Homeowner dues shall be initially fixed at \$300.00 per year prorated and collected at closing of the sale of any Lot and further payable every January 15th in advance for the forthcoming year. BELMOOR HOMEOWNERS' ASSOCIATION shall be responsible for maintaining the landscaping theme set forth by Declarant. Maintenance will include, but not necessarily be limited to the Common Property, i.e. the two (2) entry monuments, landscaped "islands" in the street, all perimeter fencing including fencing around TRACT "A". It is understood that there is a "drip" irrigation system installed with a timer and separate water meter. This system will serve the entry monuments and islands a aforementioned.

5.3 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS. The Annual assessments provided for herein shall commence as to all Lots at such time as the Board in its absolute discretion deems advisable. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year.

ARTICLE VI LIMITATION OF LIABILITY

Neither the Board nor any Officer nor the ACC, nor the Homeowners' Association, nor any member thereof, shall be liable to any Owner, occupant, builder or developer for any damages, loss or prejudice suffered or claimed on account of any action or failure to act, provided the Board, Officer, ACC, Association or Member has acted in good faith and on the basis of the facts as known to him.

ARTICLE VII AMENDMENT TO BYLAWS

These Bylaws can be amended at any time by the original Board prior to the expiration of their term. Thereafter, these Bylaws can be amended by an affirmative majority vote of the Lot Owners.

ADOPTED this 22nd day of June, 1993, by Order of the Board.