

APPROVED DEC 12, 2022

**BYLAWS OF
HANSVILLE HEIGHTS HOME OWNERS ASSOCIATION,
A Washington Nonprofit Corporation**

**ARTICLE I
NAME AND LOCATION**

The name of the non-profit corporation is "Hansville Heights Home Owners Association", a Washington nonprofit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be the residence address of the Treasurer of Hansville Heights Home Owners Association. The official mailing address shall be Hansville Heights Home Owners Association PO Box 183 Hansville, WA 98340. The Board of Directors (hereafter "Board") may change the location of the principal office and/or the Post Office Box of the Association to any location in Kitsap County, Washington, from time to time by majority vote of the members of the Board.

**ARTICLE II
DEFINITIONS**

Except as specifically defined herein, capitalized terms in these Bylaws shall have the meanings set forth in the Declaration for the Plat of Sterling Highlands ("Plat"), as recorded in Kitsap County, Washington, under Auditor's File No. 200708150057; and amended by Amended and Restated Covenants, Conditions and Restrictions for Hansville Heights, as recorded in Kitsap County, Washington under Auditor's File No. 201407310252; as further amended by First Amendment to Declaration of Covenants, Conditions and Restrictions for Hansville Heights, as recorded in Kitsap County, Washington under Auditor's File No. 201704060096; and as further amended by Second Amendment to Declaration of Covenants, Conditions and Restrictions for Hansville Heights, recorded in Kitsap County under Auditor's File No. 201905090155 (collectively referred to as the "Declaration"), recorded against each Lot and a Trail easement Auditors File No. 201408290190. "Articles" means the Articles of Incorporation of the Association. "Bylaws" mean the Bylaws of the Association. "Director(s)" mean a person serving on the Board. "Lot means" a Lot in the Plat of Sterling Highlands. "Member" and "Owner" means the owner(s) of a Lot in the Plat of Sterling Highlands who are members of the Association.

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Annual Meetings.

The Association shall hold an annual meeting of Members each year. Annual meetings of the Members shall be held in Kitsap County, Washington, on dates other than legal holidays. The date, time and place of each annual meeting shall be designated by the Board.

Section 2. Special Meetings.

Special meetings of the Members may be called at any time by the President or by the

Board, or upon written request of Members whose votes equal or exceed ten percent (10%) of the total votes of the membership in the Association.

Section 3. Notice of Meetings.

Written notice of each meeting of the Members ("Notice") shall be given by the Declarant during the Declarant Control Period. Thereafter, Notice shall be given by, or at the direction of, the Secretary or any other Officer authorized by the Board to call the meeting. Not less than fourteen (14) nor more than sixty (60) days in advance of any meeting of the Members, the Secretary or other officers specified in the Bylaws shall provide written notice to each Owner of record by: (1) Hand delivered to the mailing address of the Owner or other address designed in writing by the Owner; (2) pre-paid first-class United States mail to the mailing address of the Owner or to any other mailing address designated in writing by the Owner; or (3) electronic transmission to an address, location, or system designated in writing by the Owner, but only if the Owner has delivered to the Secretary or any other Officers of the Association a written record consenting to receive electronically transmitted notices. The Notice shall specify the date, time and place of the meeting and the business to be placed on the agenda by the Board for a vote by the Owners, including the general nature of any proposed amendment to the Articles of Incorporation, Bylaws, any budget or changes in a previously approved budget that result in a change in assessment obligation, and any proposal to remove a Director.

Section 4. Quorum.

The presence at any annual or special meeting of Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the total votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. 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 as aforesaid shall be represented.

Section 5. Voting Rights.

Members shall have one (1) vote per Lot. If there is more than one Owner of any Lot, the vote for such Lot shall be exercised as the Co-Owners determine among themselves and advise the Association in writing prior to the vote being taken. Absent such advice, and subject to Washington law, the Lot's vote shall be suspended if more than one person seeks to exercise it on behalf of the Owner.

Section 6. Proxies.

At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, be filed with the Secretary, and shall have a duration of no longer than eleven (11) months. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of the Lot for which the proxy has been given. The Board may adopt a proxy form for use

by all Members electing to designate a proxy.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number and Standard of Care.

The affairs of this Association shall be managed by the Board. The Board shall be elected by the Members and shall be comprised of at least three (3) and no more than five (5) Directors, as determined by the Board from time to time. In the performance of their duties, the Officers and Directors shall exercise the degree of care and loyalty required of an officer or director of a corporation organized under RCW 24.03.

Section 2. Restrictions.

The Board shall not act on behalf of the Association to (1) amend the Articles of Incorporation; (2) to take any action that requires the vote or approval of the Members; (3) to terminate the Association; (4) to elect members of the Board; or (5) to determine the qualifications, powers, and duties, or term of Officers or Directors, but the Board may fill vacancies on the Board for the unexpired portion of any term.

Section 3. Term of Office.

At the 2022 election, the two Directors who receive the greatest number of votes will serve for two years and the remainder will serve for one year. In the event of a tie, the new board members will determine who will serve one-year and two-year terms. Subsequently, all Directors will serve two-year terms.

Section 4. Removal and Vacancies.

Any Director may be removed from the Board by the Owners by a majority vote of the voting power in the Association present, in person or by proxy, and entitled to vote at any meeting of the Members at which a quorum is present. Any Director may also resign. In the event of death, resignation or removal of a Director, his or her successor shall be selected by a majority vote of the remaining Directors and shall serve for the unexpired term of his or her predecessor. In the event there are no remaining Directors, or a replacement Director cannot be located, the Members shall hold a special meeting and shall elect replacement Director(s) by a majority vote of the membership in the Association.

Section 5. Compensation.

No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of duties upon approval of a majority of the Directors.

Section 6. Elections.

Election to the Board shall be by secret written ballot at the annual meeting. At such election the Members or their proxies may cast, in respect to each Board position, one vote for each Lot owned.

The Members receiving the largest number of votes shall be elected.

ARTICLE V
MEETING OF DIRECTORS

Section 1. Regular Meetings

Regular meetings may be held, with or without notice as determined by the Board, at such date, time and place within Kitsap County as may be fixed from time to time by the Board.

Section 2. Special Meetings.

Special meetings of the Board shall be held when called by the President or by a majority of Directors, in accordance with the notice requirements set forth in this Article V, Section 3 below.

Section 3. Notice of Meetings.

Written Notice of regular meetings of the Board, if such Notice is required by the Board, and Notice of special meetings of the Board, Notice shall be given by, or at the direction of, the Board. Notice of special meetings of the Board shall be not less than three (3) nor more than fifty (50) days in advance of the meeting. Notice shall be provided to each Director by: (1) Hand delivery to the mailing address of the Director or other address designed in writing by the Director; (2) pre-paid first-class United States mail to the mailing address of the Director or to any other mailing address designated in writing by the Director; or (3) electronic transmission to an address, location, or system designated in writing by the Director, but only if the Director has delivered to the Secretary or any other Officers of the Association a written record consenting to receive electronically transmitted notices under RCW 24.03.009(2). Such notices shall specify the date, time and place of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum.

A majority of the Directors shall constitute a quorum of the Board for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless a greater number is required by RCW 24.03, the Articles of Incorporation, or these Bylaws.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section I. Powers.

The Board shall have all of the powers and responsibilities set forth in the Declaration. In addition, the Board shall have the power to exercise for the Association all powers, duties and authority vested in or delegated to this Association by Washington State law, including the Non-Profit Corporation Act, RCW 24.03, and the Homeowners' Association Act, RCW 64.38, not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or

the Declaration. To the extent permitted by applicable Washington law, the Board shall have the right, in its discretion, to delegate any of its powers to any Officer of the Association or a managing agent, if any.

Section 2. *Additional Responsibilities.*

It shall be the additional responsibility of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs to the full extent required by the Declaration or Washington law;

(b) Supervise all Officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) Fix the amount of the Annual Assessments and, if applicable, any Special Assessments. Within thirty (30) days after adoption by the Board 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 of the budget. As part of the summary of the budget provided to all Owners, the Board shall disclose to the Members: (1) the current amount of regular assessments budgeted for contribution to the reserve account, the recommended contribution rate from the reserve study and the funding plan upon which the recommendation is based; (2) if regular or special assessments are scheduled to be imposed, the date the assessments are due, the amount of the assessments per each owner per month or year, and the purpose of the assessments; (3) based upon the most recent reserve study and other information, whether currently reserve account balances will be sufficient at the end of each year to meet the Association's obligation for major maintenance, repair, or replacement of reserve components during the next thirty (30) years; (4) if reserve account balances are not projected to be sufficient, what additional assessments may be necessary to ensure that sufficient reserve account funds will be available each year during the next thirty (30) years, the approximate dates assessments may be due, and the amount of the assessments per owner per month or year; (5) the estimated amount recommended in the reserve study at the end of the current fiscal year based on the most recent reserve study, the projected reserve account cash balance at the end of the current fiscal year, and the percent funded at the date of the latest reserve study; (6) the estimated amount recommended in the reserve account based upon the most recent reserve study at the end of each of the next five budget years, the projected reserve account cash balance in each of those years, and the projected percent funded for each of those years; and (7) if the funding plan approved by the Association is implemented, the projected reserve account cash balance in each of the next five budget years and the percent funded in each of those years. Unless at that meeting Members with a majority of the votes in the Association reject the budget, in person or by proxy, the budget will be 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 Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

(d) At the discretion of the Board, to exercise all legal rights and remedies against any Lot for which assessments are not paid in a timely manner including, without Limitation, any legal rights and remedies set forth in the Declaration or available under Washington law.

(e) Initiate any legal action deemed necessary by the Board to enforce any of the provisions of these Bylaws, the Articles of Incorporation and/or the Declaration;

(f) Issue, or to cause an appropriate officer of the Association, or Director, to issue, upon request by any Member in conjunction with a Lot sale, and subject to a reasonable charge, a certificate setting forth whether or not assessments have been paid and are current or delinquent on any Lot; and

(g) Fulfill all requirements of the Association as set forth in the Declaration or as otherwise required by Washington law.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices.

The Officers of the Association shall be a President, one or more Vice Presidents, Secretary and Treasurer, together with 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 immediately following each annual meeting of the Members.

Section 3.

The Officers of the Association shall be elected annually by the Board and each shall hold office until the Board elects Officers at the next annual meeting, unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve at the discretion of the Board.

Section 4. Special Appointments.

The Board may elect such other Officers as the affairs of the Association 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 by 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 of the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he or she replaces.

Section 7. Multiple Offices.

The offices of Vice President, Secretary and Treasurer may be held by the same person. No person shall simultaneously hold the offices of President and Secretary.

Section 8. Duties.

The duties of the Officers are as follows:

President

The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and prepare, execute, certify and, if applicable, record amendments to the Declaration, Articles of Incorporation, Bylaws and other governing documents of the Association; provided, however, that all leases, mortgages, deeds and Association governing documents that will be recorded shall also require the signature of the Secretary.

Vice President

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

Secretary

The Secretary shall record the votes and either keep, or arrange to have kept, the minutes of all meetings and proceedings of the Board and of the Members; arrange for service of the Notice of meetings of the Members, and any meetings of the Board of Directors where Notice is required; keep, or cause to be kept, appropriate current records showing the Members of the Association together with their addresses; execute and certify, if applicable, all leases, mortgages, deeds and amendments to any governing documents including, without limitation, amendment to the Declaration, Articles of Incorporation or Bylaws; and perform such other duties as required by the Board.

Treasurer

The Treasurer shall oversee all Association funds and shall disburse said funds as directed by resolution of the Board of Directors; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting.

**ARTICLE VIII
COMMITTEES**

The Board, by a majority vote of Directors, shall appoint the members of the Architectural Review Committee in accordance with the Declaration. The Board, in its sole discretion, may also appoint additional committees as deemed necessary or beneficial to the Association.

**ARTICLE IX
BOOKS AND RECORDS**

The books, records and papers of the Association shall be subject to inspection by any Member to the full extent provided by the Declaration or Washington law. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

**ARTICLE X
ASSESSMENTS**

The Association shall have the full power to exercise all of the rights and obligations with regard to Annual Assessments, Special Assessments and any other Assessments set forth in the Declaration or the Bylaws. Each Member is obligated to pay to the Association any such assessments, which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessment not paid when due shall be delinquent and shall accrue late fees if established by the Board of Directors, and interest at the rate of eighteen percent (18%) per annum, or the highest rate allowed by Washington law, whichever shall be less.

**ARTICLE XI
AMENDMENTS**

Section 1. Amendment.

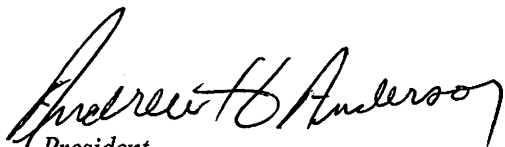
Except as otherwise provided in the Declaration, the power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in the Board. The Bylaws may contain any provisions for the regulation and management of the affairs of the Association not inconsistent with law or the Articles of Incorporation. The Board may adopt emergency Bylaws in the manner provided in RCW 23B.02.070.

IN WITNESS WHEREOF, *these Bylaws have been executed on the date set forth below.*

HANSVILLE HEIGHTS HOME OWNERS ASSOCIATION,
a Washington non-profit corporation

By:

Its:


President

By:

Its:

Secretary



CERTIFICATION

The undersigned Secretary represents that these Bylaws of the Hansville Heights Home Owners Association ("Association") were duly approved by the requisite vote of Members at the Annual Meeting of the Association held on Dec. 12, 2022.

By 
Secretary