

RETURN ADDRESS:

ROBERT D. WILSON-HOSS
Hoss and Wilson-Hoss, LLP
236 West Birch Street
Shelton, Washington 98584

1936754 MASON CO WA

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COPY

Document Title(s) (Or transactions contained therein):

1. Bylaws of Belfair View Estates Road Maintenance Association
- 2.
- 3.
- 4.

Grantor(s) (Last name first, then first name and initials):

1. Belfair View Estates Road Maintenance Association
- 2.
- 3.
- 4.
5. Additional Names on Page _____ of Document.

Grantee(s) (Last name first, then first name and initials):

1. Public – Residents of Belfair View Estates Road Maintenance Association
- 2.
- 3.
- 4.
5. Additional Names on Page _____ of Document.

Legal Description (Abbreviated: I.e., lot, bloc, plat; or section, township range):

<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
26	22	3	23	22	3
24	22	3	13	22	3
7	22	2			

Legal Description is on Page 1 of Document.

Reference Number(s) (Of documents assigned or released):

- 366184, 366185, 365989, 364448, 361496, 360039, 358841, 356847
- Additional Names on Page _____ of Document.

Assessor's Property Tax Parcel/Account Number:

32226 76 00010 through 32226 76 90142	32223 77 00010 through 32223 77 00140
32223 76 00050 through 32223 76 90080	32223 75 90010 through 32223 75 00160
32224 76 00010 through 32224 76 00050	32224 75 90060 through 32224 75 90153
32224 77 00010 through 32224 77 00310	32213 75 00110 through 32213 75 90144
22207 76 00010 through 22207 76 00240	

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**BYLAWS
OF
BELFAIR VIEW
ESTATES ROAD
MAINTENANCE
ASSOCIATION**

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ARTICLE I

GENERAL PROVISIONS

A. Name. The name of the Association is Belfair View Estates Road Maintenance Association (BVERMA).

B. Jurisdiction. This Association has jurisdiction over all land within the BVERMA development, legally described as:

1. That certain land described in the survey recorded on August 29, 1979, Volume 5, page 101, Mason County Auditor's File Number 366184.
2. That certain land described in the survey recorded on August 29, 1979, Volume 5, page 102, Auditor's File Number 366185.
3. That certain land described in the survey recorded on August 29, 1979, Volume 5, page 93, Auditor's File Number 365989.
4. That certain land described in the survey recorded on July 25, 1979, Volume 5, pages 65 and 66, Auditor's File Number 364448.
5. That certain land described in the survey recorded on May 25, 1979, Volume 5, page 39, Auditor's File Number 361496.
6. That certain land described in the survey recorded on April 25, 1979, Volume 5, page 19, Auditor's File Number 360039.
7. That certain land described in the survey recorded on March 28, 1979, Volume 5, page 4, Auditor's File Number 358841.
8. That certain land described in the survey recorded on February 7, 1979, Volume 4, page 136, Auditor's File Number 356847.
9. All that portion of Government Lot 4, Section 24, Township 22 North, Range 3 West, W.M., except that portion platted in Cady's Sunrise Beach Tracts as recorded in Volume 4 of Plats, page 8, except public roads.
10. The West half of the Southwest quarter of Section 7, Township 22 North, Range 2 West, W.M., and the Southeast quarter of the Southeast quarter of Section 12, Township 22 North, Range 3 West, W.M.

all located in Mason County, Washington;
as well as all activities therein related to the purposes of the Association.

C. Purposes. The purposes for which this Association is founded are to maintain the roads and other common areas of the Association; and to exercise any or all powers of non-profit associations and homeowners' associations pursuant to the laws of the State of Washington, including RCW chs. 24.03 and 64.38, or as amended.

D. Common Areas. The ownership of the common areas in BVERMA is vested in the Association. Such common areas are for the exclusive use and enjoyment of members in good standing, their families and their guests; and those invited by the Association to use said common areas, including holders of easements, licenses, associate memberships, and other rights granted by the Association, if any. The Association, through its Board of Directors, may create reasonable rules and regulations for the use of its common areas, and for the conduct of members, their family members and guests, and others with respect thereto. The Association is responsible for paying taxes and assessments on the common areas, and to operate and maintain the same, and pay the costs associated therewith. The Association may also own any other property, real or personal.

E. Authorities. This Association is subject to the Easement for Ingress, Egress and Utilities, recorded with the Mason County Auditor on September 14, 1979, under file number 366928; the Agreement, recorded on March 24, 1981, under file number 388612, which transfers the responsibility for the Association roads; individual conveyance documents of record, and any other applicable recorded documents; its Articles of Incorporation; these Bylaws; other Association governing documents; other rules and regulations of the Association; RCW ch.

24.03, the Nonprofit Corporation Act, or its successor; RCW ch. 64.38, the Homeowners' Association Act, or its successor; and the laws of the State of Washington and of the United States.

F. Definitions. As used in these Bylaws, the following have the specified meanings:

1. Common Areas. These include property owned by the Association, such as the beach, and its interests in the BVERMA roads.

2. Family Members. For the purposes of these Bylaws, these include the spouses of members, and their dependents who live with them.

3. Guests. Guests are those whom a member invites to use the member's property and/or common areas. A guest may drive on the roads. A guest may not use common areas or the beach property unless accompanied by a member. Guests must follow all of the rules of the Association.

4. Renters. A renter is a nonmember occupying a member's property with the member's permission. A renter may drive on the roads. A renter may not use common areas or the beach property unless accompanied by a member. Renters must follow all of the rules of the Association.

5. Member. A member is the owner or contract purchaser of a BVERMA lot. A member has as many memberships as that member has ownerships of lots at BVERMA, but is still one member regardless of the number of memberships. If any current parcels are subdivided, when any new parcel resulting from said subdivision is sold, the owner of the new parcel will also be a member. If an owner with two or more contiguous parcels combines these into one

parcel by a Boundary Line Adjustment approved by Mason County, the owner of each such combined lot will have one membership for the combined lot. The date of recordation of the Boundary Line Adjustment with the Mason County Auditor shall be the effective date of the combination for purposes of determining the proper number of assessments to apply.

6. Members in Good Standing. These are members with no current substantial BVERMA rule violations; and those who are no more than 90 days delinquent in the payment of any amount due to the Association, unless a repayment agreement has been reached and is complied with.

7. Lot. A lot is a tract of land within the jurisdiction of the Association. An original lot is one that was originally platted, and sold by the developer, as one tract. If an original lot, or any subsequent lot, is properly subdivided, it becomes two or more lots, upon recordation of the subdivision. If two or more lots are combined together by a Boundary Line Adjustment, they become one lot. County Assessor treatment of tracts of land is not necessarily dispositive. (If the Assessor shows that one original lot has three parcel numbers, but the original lot has never been subdivided, then it is only one lot, not three, for Association purposes.)

ARTICLE II

MEMBERSHIP

A. General. Although the Board of Directors acts on behalf of the Association, the primary authority of BVERMA rests with its members. Members are the legal owners or contract purchasers of residential lots within the jurisdiction of BVERMA. Members elect directors to the Board of Directors, approve or

disapprove the annual budget and further financial proposals, and vote on initiatives or referenda. Members are responsible for complying with all Association requirements, including paying in a timely manner all assessments due to the Association, and respecting BVERMA rules. Membership is appurtenant to ownership of each lot in BVERMA. No member may withdraw membership except by transfer of ownership. Each member in good standing has the right to use Association property and facilities, and to permit guests and family members to do so as well; all pursuant to BVERMA's reasonable rules and regulations. Each member in good standing also has the right to participate in Association activities, and serve on the Association Board of Directors and its committees.

Failure to comply with BVERMA's rules, including the obligation to pay assessments, may result in loss of status as a member in good standing, as set forth in Article I(F) above, and therefore loss of the rights to vote, to use common areas and to serve on the Board of Directors and committees; however, this does not include the loss of the right to use Association roads. This loss of status will apply to the members personally as well as their rights with respect to each of their lots.

Each member is personally responsible for the actions of himself or herself, and all tenants, guests, and family members, as they relate to the facilities and operations of the Association, its governing documents, and other Association rules and regulations and requirements. Each member also has all of the rights and responsibilities conferred by BVERMA governing documents and other Association rules and regulations, as well as state law.

B. Voting Rights. Only members in good standing are eligible voters. A member in good standing who is an owner or purchaser of a lot may cast one vote.

Multiple owners of any lot shall designate who shall cast the vote for said lot. One vote may be cast for each lot. One member may cast one vote for each lot owned.

C. Petition Rights. Any member in good standing who in good faith believes that the Association has acted in any way contrary to the provisions of these Bylaws or any other Association rules or requirements, including by taking any action involving that member individually, or any action affecting the entire membership, may petition the Board of Directors in writing to consider the matter. The petition shall state the rule or requirement at issue, the specific factual allegations made, and the identity of and contact information for any witnesses. It shall also include copies of all evidence, where reasonably possible. The Board of Directors shall adopt a reasonable and fair system to address such complaints.

D. Meetings.

1. Annual Membership Meeting. There shall be a general annual membership meeting of the Association on the first Saturday in June of each year.

2. Special Membership Meetings. Special meetings of the membership may be called by the President of the Board of Directors, a majority of the Board of Directors, or by members having ten percent of the total votes of the Association.

3. Notice. Notice of all membership meetings shall be delivered, or sent by prepaid, first class United States mail, to each member. Notice shall be given not less than 14 days and not more than 50 days prior to the meeting. The notice shall state the time, place and agenda of the meeting.

4. Location. Membership meetings shall be held at a location in the

Belfair/Tahuya area as may be designated by the Board.

5. Agenda. The notice of any membership meeting shall include the agenda for the meeting, as set by the Board of Directors. The agenda for membership meetings may include elections and approval of a budget and/or other financial proposals. The agenda may also include referenda, which are issues submitted to the general membership by the Board of Directors, either for binding vote, or guidance; and initiatives, which are issues submitted by the signatures of members in good standing representing ten percent of the total votes of the Association. No initiative proposal adopted by the members may interfere with the contract rights of any third parties. The agenda may also include provision for discussion of particular issues. Members in good standing may submit requests to the Board for its inclusion of an issue on the agenda.

At the annual membership meeting, the Officers and committee chairpersons shall provide summary reports of operations of the preceding year, and plans for the upcoming year, as well as long-range plans, which shall also be included in the agenda.

In order to be fair to members unable to attend, neither the agenda nor any items on it may be amended during the course of the meeting, and all items to be voted on shall be considered as presented without amendment or modification.

6. Quorum. A quorum for the transaction of business at any general membership meeting shall be fifteen members.

7. Ballots. A member may cast his or her vote in person or by proxy, according to procedures established by the Board of Directors. Votes cast by

proxy shall be specific as to each particular issue. The Notice of any general membership meeting shall include a proxy ballot, which shall be identical in all significant respects to the ballot provided to members voting in person. Proxies shall be signed and dated to be valid. All ballots, cast in person or by proxy, shall be opened at the general membership meeting, in the presence of the members.

8. Majority. Actions of the membership shall be taken by a majority vote of the members in good standing, voting at a meeting with a quorum, except as otherwise provided by law or BVERMA governing documents. An example of such an exception is set out at Article IV(I) below, having to do with Washington State law about how budgets are adopted.

9. Procedures. The Board of Directors shall establish procedures for initiatives, referenda, and membership meetings that are reasonable and fair, including additional procedures to ensure the accuracy of voting.

ARTICLE III

BOARD OF DIRECTORS POWERS AND DUTIES

A. General. The Board of Directors is responsible for acting on behalf of the Association. It conducts, manages, and controls the affairs and business of the Association, and exercises ownership authority and control over all of the common properties of the Association.

Members of the Board of Directors develop skills and insight into the work of the Association through their service to it, including as Directors. Their responsibilities are to follow state laws and BVERMA governing documents and

rules and regulations in ways that, in their individual and collective judgments, best serve the purposes of the Association, and are fair and reasonable.

B. Membership Participation. The Board of Directors shall keep the membership informed of significant current and prospective issues. The Board of Directors shall define such issues, take steps to educate and inform the membership about them, and listen to the members' responses, including use of informational "town meetings" as appropriate. In evaluating the opinions of the members, the Board of Directors shall take care to consider its duties to the purposes of the Association, and to avoid allowing any one member to exercise a disproportionate role in the process.

C. Rules and Regulations. The Board of Directors shall, when necessary and appropriate, develop rules and regulations to support the purposes of the Association, and to provide procedures for its operation. These include, but are not limited to, rules providing for bonding of Officers; sign locations along Association roads and common areas; designation of trees and brush to be cut or trimmed within easement or common areas for safety purposes; parking restrictions, and permits for parking; cleanliness and upkeep of the common areas of the Association; speed, weight and types of vehicles and equipment permitted on roads and common areas; fees for commercial use of the road and common areas; fees for uses in excess of single family residences, as they relate to the increased use of the common areas and roads; the installation of utilities; liability to the Association of members and their agents, or others acting for or on behalf of members, for damage to the roads and common areas; blockage of or denial of access to the roads and common areas; the undertaking of any of the other powers

of the Association; as well as a system for enforcement of the same, including fines for violations.

The Board may adopt such rules and regulations itself. In addition, as set out in Article VI below, the Board may delegate the authority to do so to a committee composed of only Board members, or adopt the same after seeking the advice of a committee that includes members who are not on the Board. In any event, all rules and regulations must then be referred to the membership for its approval, and are not final until the members approve. The only exception is for matters of emergency, when the Board can adopt reasonable rules and regulations that apply on an interim basis until the membership has the opportunity to approve or disapprove.

In considering such rules, the Board shall apply the following: no fees shall be charged to any member for a permit, except as associated with commercial use of the roads and/or common areas, but fees may be charged to third persons acting at the request or direction of the member; and copies of all rules adopted by the Board shall be mailed to all members, at their last known addresses, and shall be effective three days after mailing, or, in the alternative, upon personal service.

D. Records. The Board of Directors shall keep records of the current Articles and Bylaws; a list of members, including names, and addresses; sufficiently detailed information to provide to the members a true statement of the financial status of the Association; a list of officers' and directors' names and addresses; and minutes of the Board meetings, the general membership meetings, and the meetings of all committees that keep minutes. In addition, the Board shall keep records of its operations, including matters having to do with individual members

and lots, for at least 10 years. All of the records of the Association may be inspected and copied by any members and their authorized agents, and mortgagees, upon reasonable advance notice. The only exception is for records arising out of personnel or legal matters, and matters having to do with possible violations of the Association's governing documents or the possibility of liability of a member to the Association, as specified by Washington law. The Association may impose reasonable charges for the inspection and/or copying of the records. The Association shall not release any email addresses or unlisted telephone numbers of members without authorization.

ARTICLE IV

BOARD OF DIRECTORS GENERAL

Any member in good standing may submit his or her name and qualifications for inclusion on the annual ballot. The qualifications must include a signed statement pursuant to Article IV(B) below.

A. Number. There shall be five members of the Board of Directors.

B. Qualification. Any member in good standing is qualified to serve as a Director, except when the member has been convicted within the last ten years of a crime involving dishonesty or a false statement. A member who wishes to do so may submit his or her name to the Board of Directors as a candidate for a Board position. The candidate must also submit a brief statement of qualifications, as well as a signed statement that he or she will follow the governing documents of the Association, including these Bylaws, and perform the duties of Director in

good faith; and that he or she has not been convicted of a disqualifying crime.

In addition, the President and Vice-President must be elected from among the full-time residents of Belfair View Estates Road Maintenance Association.

C. Election. Each member voting shall vote for up to five candidates. The five candidates with the greatest total of votes shall be elected to the Board. In the event of a tie for the final position, it shall be decided by a coin toss.

D. Terms of Office. Each Director shall serve a term of one year.

E. Removal. A Director may be removed with or without cause by a majority vote of the members in good standing voting at a meeting with a quorum, upon proper submission of a member initiative or Board of Directors referendum. A Director may also be removed by resignation or disqualification. A Director shall become disqualified if he or she is no longer a member, or a member in good standing; or misses three consecutive meetings without reasonable cause, as determined by the Board of Directors.

F. Vacancies. If a Director is removed, becomes disqualified, or resigns, the Board of Directors shall appoint a successor within a reasonable period of time. The successor shall fill the remainder of the unexpired term of the former Director. The Board shall appoint the successor from among the unsuccessful candidates at the last election for Board positions, starting with the candidate with the most votes. If that candidate is unwilling or unable to serve, the Board shall appoint as successor the unsuccessful candidate with the next most votes, and so on. If no such candidate is willing and able to serve, the Board shall appoint the successor from among all former Board members; if none is willing and able to serve, from

the membership.

Any Board member appointed to fill the remainder of an unexpired vacant Board position may not serve as President or Vice-President of the Board until elected to the Board by the membership.

G. Meetings.

1. Where and When. The Board of Directors shall meet at times and places within the Belfair/Tahuya area to be determined by the Board. The Board is to meet the third Saturday in August, November, and February; and otherwise as necessary.

2. Notice. Notice of regular Director meetings shall be given by general reference in mailings to the membership, posted on Reader Board, or by electronic communication at least two weeks in advance. Notice of special Board of Directors meetings shall be given, when reasonably possible, to the Directors at least 24 hours prior to the meeting, by personal communication, or reasonable alternate means best calculated to be received, if any. All Board meetings shall be open to the membership except for closed sessions as provided by law.

3. Quorum. A quorum of the Board of Directors for the transaction of business shall be a majority of the then sitting Directors.

4. Majority. A majority vote of the Directors at a meeting at which a quorum is present is sufficient to transact the business of the Board of Directors.

5. Procedures. The Board of Directors shall develop procedures for its operation that are fair and reasonable under all the circumstances.

6. Distance Meeting. Any meeting of the Board of Directors may be conducted by telephone conference call, or similar communications medium, whereby all directors participating are in voice or electronic contact with each other throughout the meeting, subject to all other meeting requirements as set forth herein.

H. Delegation of Powers. The Board of Directors may delegate such powers with respect to management of the Association as it deems appropriate, subject to state law and the governing documents and rules and regulations of the Association.

I. General or Special Budget for Income, Expenses and Reserves. The Board of Directors shall adopt an annual budget for assessment and other income, expenses and reserves, as well as special or amended budgets for the same when needed. Any such budget shall be submitted to the membership as provided by Washington State law. Consideration by the membership may take place at the Association's annual general or budget meeting, or at any special membership meeting. If at any time state law no longer specifies the procedure for adoption of budgets, any general, special or amended budget adopted by the Board of Directors for assessment and other income, as well as expenses and/or reserves, shall be submitted to the membership for its approval or rejection pursuant to the most recent applicable state law, until these Bylaws are or may be amended to provide otherwise.

J. Expenditures. All expenditures must be approved by the Board, with the exception of routine expenditures such as payment of utility bills and insurance premiums. In the case of such routine expenditures, the Board may authorize the

Treasurer to make the same, subject to ratification by the Board at its next subsequent meeting.

ARTICLE V

OFFICERS

A. Election. At the first meeting of the Board of Directors after each annual meeting of the members, the Board of Directors shall elect from its members its President, Vice-President, and Secretary. It shall also elect a Treasurer who is qualified by experience, education and/or training to administer the financial affairs of the Association; the Treasurer may or may not be a Director or member. Officers of the Association so elected shall hold office until their successors are qualified.

B. Removal. Any Officer may be removed as such by a majority vote of all of the Directors. Upon removal of an Officer, the Board of Directors shall elect a replacement within a reasonable time.

C. President and Vice-President. The President shall preside at all meetings of the Directors and members, shall sign as President on all agreements, contracts and instruments authorized by the Board of Directors, and shall be its chief executive officer. The Vice-President shall perform the duties of the President when the President is unavailable.

D. Secretary. The Secretary shall be generally responsible for all meeting notices and the minutes of all meetings of the membership and of the Board of Directors, and shall have charge of all of the Association books, records, and papers. Following each annual membership meeting, the Secretary shall mail to all

members at their last known addresses a Newsletter, which shall include minutes of the membership meeting, the budget as enacted, and the report of the Treasurer made at the membership meeting.

E. Treasurer. The Treasurer shall be generally responsible for keeping safely all money, financial accounts of the Association, and for preparing and keeping a complete accounting of the financial records of the Association, for presentation to the members at the annual membership meeting, and at all other times as required.

F. Execution of Documents. The President, or in the absence of the President, the Vice-President, shall sign and execute all agreements, contracts and instruments on behalf of the corporation, except as set forth below. The same shall also be signed and executed by either the Treasurer or the Secretary. When necessary, due to particular circumstances, the Board of Directors may specifically authorize signing and execution otherwise. Checks, drafts, and other negotiable instruments, and other documents except amendments to Association documents, may be signed and/or executed as provided by the Board of Directors. The President, or Vice-President, in the absence of the President; and Secretary, or Treasurer, in the absence of the Secretary; shall together be responsible for preparing, executing, certifying and recording Association governing documents, Association rules and regulations, and amendments thereto.

G. Employees and Agents. The Board of Directors may appoint, engage and/or employ, pursuant to its direction, employees, contractors, agents and volunteers.

ARTICLE VI

COMMITTEES

The Board of Directors may form committees at any time for such purposes as it may deem necessary. The Board of Directors shall adopt a resolution establishing each such committee, addressing its makeup, authority and operating procedures. The Board of Directors may delegate, pursuant to law, its authority to take action to any committee that is composed entirely of Directors. The actions of any other committee shall be subject to the ratification or disapproval of the Board of Directors.

The Board of Directors may also appoint informal committees to serve at its direction. These committees shall not have the power to act for the Board or the Association.

ARTICLE VII

CODE OF ETHICS

A. Standard of Care. All Directors, Officers, committee members, agents, contractors, employees, volunteers and others performing services for or on behalf of the Association, shall do so in a manner they believe to be in the best interest of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances.

B. Open Meetings. All meetings of the Board of Directors and its committees shall be open for observation by all members and their authorized agents, except as otherwise specified by law.

C. Compensation. No Director, Officer, committee member or volunteer shall be compensated for work performed as such without approval by the Board of Directors. Reasonable expense reimbursement is not considered compensation. Compensation may be paid for services performed as an employee, agent or contractor, subject to conflict of interest limitations set forth below.

D. Conflict of Interest. No member of the Board of Directors, or of any Board of Directors committee, shall participate in any vote on any subject in which he or she has a specific personal, professional, financial, or other conflict of interest. He or she may, however, participate in discussions regarding the same.

E. Loyalty. All members, including Directors, are encouraged to share their views and opinions. Constructive dissent can be a very valuable resource to a Board of Directors. Directors may vote in the minority on issues, and they are not required to personally endorse any Board of Directors decision or action. They may discuss their opinions freely and openly with anyone. But by accepting a Board of Directors position, each Director agrees to work within the Association processes and systems to advance his or her views or positions, and not to either individually, or in collaboration with others, intentionally sabotage or subvert the work of the Board of Directors.

F. Confidentiality. All members, including Board members, as well as volunteers, employees, agents, and contractors, shall maintain confidentiality with respect to any information they become aware of having to do with any matters involving personnel, consultation or communications with legal counsel, likely or pending litigation, possible violations of the governing documents, or involving the possible liability of a member to the Association.

G. Loans. The Association shall make no loans to its Directors or Officers.

H. Audit. The Board of Directors may cause to be prepared an audit of any or all of the financial accounts or affairs of the Association at any time, and to what extent, it deems appropriate. In addition, at least annually, the Board of Directors shall cause to be prepared a financial statement of the Association. Such financial statements shall be audited when required by law, or as directed by the Board of Directors.

I. Accounts. The funds of the Association shall be kept in accounts in its name, and shall not be commingled with the funds of any other Association, the President of the Association, or any other person responsible for custody of such funds.

J. Release, Indemnification and Hold Harmless. All volunteers who perform services for the Association in any capacity must execute a release of the Association from any damages claims arising out of said services, and a covenant to indemnify and hold harmless the Association from any such claims; in a form acceptable to the Board of Directors.

ARTICLE VIII

ASSESSMENTS

A. Each member, by accepting an ownership interest in any lot within the development, agrees to pay all assessments imposed by the Association for each such lot. Assessments shall not be imposed against the lots owned by the Association, because, if imposed, they would be paid by the general membership, and the result would be the same.

B. Assessments as defined herein shall constitute a personal obligation of each member. In addition, they shall constitute a lien as specified herein, whether this lien is reduced to writing and recorded, or not. A "lot" for assessment purposes means the original lots, as well as resulting lots from Boundary Line Adjustments, and short plat lots, all as defined in Article I, § (F)(7) above. The effective date of each such lien shall be the date of recordation of the Association's Articles of Incorporation, September 14, 1979, Auditor's File Number 366912.

C. Members have the obligation to pay assessments, but the Association recognizes that individual members often face financial difficulties. The Association shall diligently collect all accounts. When an account becomes delinquent, the Association shall make reasonable efforts to work with the member to bring the account current, including readily accepting reasonable payment plans, supported by a promissory note, where such plans provide for payment in full of all delinquencies, and specify that all future assessments will be paid on time.

D. When reasonable collection efforts are not successful, and if appropriate in the judgment of the Association, assessment liens may be foreclosed, in the general manner of foreclosure of real property mortgages, with adaptations where reasonable in the judgment of the Board of Directors; provided, that a revised deficiency judgment may be entered after confirmation of sale, crediting the sale proceeds, and any payments or other credits, and debiting any post-judgment assessments, costs and attorney fees. The member may stay the proceedings at any time, prior to sale, by payment to BVERMA the full amount due.

E. The lien of BVERMA for payment of all assessments as defined herein is prior to any other lien, mortgage, deed of trust, or any other encumbrance,

regardless of filing date of notice of the same. However, as to any lot, this lien shall be automatically subordinated to one mortgage, deed of trust, or other financing encumbrance in favor of an institutional lender, which is undertaken for the sole purpose of purchase of the lot, construction (or remodeling) of improvements to the lot, or refinancing of the same, provided that the Association account with respect to any such lot is not delinquent at the time of recordation of the encumbrance, and that a copy of such encumbrance is delivered personally, evidenced by a receipt for the same, or sent by certified or registered mail; and received at the office of BVERMA within sixty days of its execution. The burden of proving receipt is on the lender.

F. In addition, BVERMA may choose to subordinate its lien to any other encumbrance, when in the best interests of the Association, and consistent with the purposes of BVERMA as set forth herein.

G. **Assessments.** The following are included in the meaning of "assessments:"

1. **General Annual Assessment and/or Dues.** The Association shall impose a general annual assessment and/or dues on each lot or member within the development, which assessment or dues shall be imposed as specified in these Bylaws at Article IV(I) above.

2. **Special Assessments.** Special assessments for particular expenses may also be imposed as specified in these Bylaws.

3. **Other Charges.** In addition to these general and special assessments, the following charges may also be imposed, and are for the purposes of the Bylaws also considered assessments:

a. Fines. Any fines, pursuant to a system for the imposition of fines for violation of BVERMA rules, as adopted by the Board of Directors;

b. Late Fees and Interest. The Association may add reasonable late fees, as well as interest of not more than 12% per annum, compounded annually, to any delinquent account and all assessments related thereto; and

c. Expenses and Fees. If the Board of Directors is required to expend any funds, with or without litigation, in pursuit of the collection of any assessments, as defined herein; the assertion of or defense to any claims regarding the authority, jurisdiction or exercise of any of the powers of the Association; the assertion of or defense to any claims regarding the personal or real property of the Association; the correction of any violation of BVERMA rules; or with regard to any other dispute concerning its actions and/or powers; all expenses, including but not limited to attorney, accountant, other expert, title report and surveyor fees; lot condition remediation costs; and all other costs of litigation, including court and discovery expenses; and any and all other amounts reasonably expended in the process of collection, dispute resolution or correction; shall be paid by the member responsible, so long as the Association is the prevailing party for the purposes of any such defenses and/or claims.

ARTICLE IX

GOVERNANCE

A. Binding Rules. The rules of the Association, including the governing documents, Articles of Incorporation, these Bylaws, and other Association rules and regulations, are binding on all members. The acceptance of an interest in title

also constitutes an agreement that the member accepts BVERMA governing documents and rules and regulations as they exist now and may be lawfully amended in the future, for himself or herself as well as for all family members, guests and tenants.

B. Interpretation. Where any terms of the Association rules are unclear, the Association shall have the right, power and authority to interpret the same by providing a meaning that is reasonable and fair, and advances the purpose of the Association and the collective interests of the members.

C. Violations of Rules. In addition to collection of assessments, it may from time to time be necessary for legal action to be undertaken in order to correct violations of BVERMA rules, and/or to respond to claims against the Association. A corrective action, other claim, or response to any claim may be brought at law or in equity, and may request relief in the form of injunction, remediation, foreclosure, damages and/or collection of assessments as defined at Article VIII(G) above, or any other relief authorized by law or in equity.

D. Limitation on Actions Against the Board of Directors. No legal action may be brought against the Board of Directors, its Officers, employees, and agents, committee members and/or volunteers, for failure to enforce any provisions of the governing documents or rules and regulations under any circumstances; or for mistakes made reasonably and in good faith, which is an honest belief made with good intentions.

E. Indemnification. The Association shall indemnify current or former directors or officers, or any other person, to the maximum extent pursuant to law,

so long as the actions complained of were consistent with the standard of care set forth above at Article VII(A).

F. Severability. If any provision of these Bylaws is deemed illegal or without effect, the remaining provisions shall not be affected.

G. Non-Waiver. Failure of the Association to enforce any Association Article of Incorporation, Bylaw, or any other rule or regulation against any member shall not operate (1) to waive the right of the Association to enforce at any time the same rule or any other rule against the same or any other member; (2) to acquiesce in the future non-enforcement of the same or any other rule; (3) as the abandonment of the right to enforce the same or any other rule; or (4) to constitute any other defense to enforcement in any particular case. No member may rely on any such failure to enforce for any purpose.

H. Application. The provisions of these Bylaws shall apply to all circumstances existing at the time of their adoption.

I. Amendments. Amendments to these Bylaws may be submitted to the membership by the Board of Directors, or by a petition of members in good standing to the Board of Directors representing twenty percent of the total votes of the Association. These Bylaws may be amended by a 60% vote of the members in good standing who vote in person or by proxy. The effective date of each amendment shall be as specified therein.

ARTICLE X

CERTIFICATION OF AMENDMENT

A. Certification. We, the President and Secretary of BVERMA, certify that


BYLAWS OF BELFAIR VIEW ESTATES
ROAD MAINTENANCE ASSOCIATION

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the above stated Bylaws were properly adopted according to all requirements as an amendment to the Bylaws of BVERMA.


B. Effective Date. The effective date of these Amended Bylaws shall be and is the 17th day of May, 2008.

By our signatures hereto, we so certify.


Signature
President, Board of Directors

TERRY H. HORNSETH
Typed Name

JUNE 19, 2008
Date


Signature
Secretary, Board of Directors

Terry B. Craighead
Typed Name

6-19-08
Date

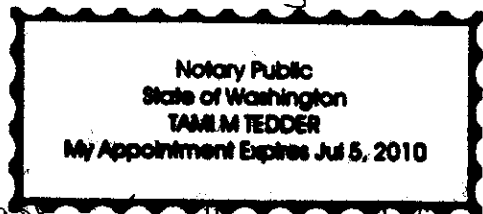
STATE OF WASHINGTON)
) ss.
COUNTY OF MASON)

On this 19th day of June, 2008, personally appeared before me TERRY Hornseth, personally known to me or provided to me on the basis of satisfactory evidence to be the President of Belfair View Estates Road Maintenance Association, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

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

Affiant Known
Affiant produced ID
Type of ID WADL

Jami M. Tedder
PRINT NAME: Jami M. Tedder
NOTARY PUBLIC IN AND FOR
THE STATE OF WASHINGTON
Residing in: Belfair
My commission expires: July 5, 2010



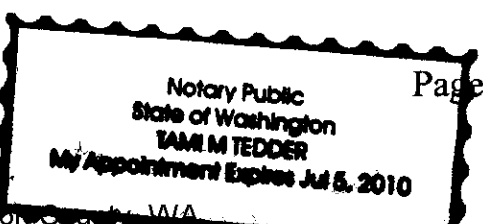
STATE OF WASHINGTON)
) ss.
COUNTY OF MASON)

On this 19th day of June, 2008, personally appeared before me TERRY CRAIGHEAD, personally known to me or provided to me on the basis of satisfactory evidence to be the Secretary of Belfair View Estates Road Maintenance Association, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

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

Affiant Known
Affiant produced ID
Type of ID WADL

Jami M. Tedder
PRINT NAME: Jami M. Tedder
NOTARY PUBLIC IN AND FOR
THE STATE OF WASHINGTON
Residing in: Belfair
My commission expires: July 5, 2010



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ROAD MAINTENANCE ASSOCIATION