

# BYLAWS OF

## HOME PROPERTY OWNERS ASSOCIATION

### 1. NAME

1.1. Home Property Owners Association is a Nonprofit Corporation organized pursuant to the Revised Code of Washington (RCW) 24.03.

### 2. PURPOSE

2.1. The purpose of the Association shall be to act as the governing body for the maintenance, repair, replacement, administration and operation of Home Estates, as provided in "Declaration of Protective Covenants, Conditions, Restrictions and Easements for Home" recorded under Clallam County Recording Number 2018-1370366 of Clallam County, State of Washington.

### 3. MEMBERSHIP

3.1. The members of the corporation shall be all persons acquiring any right, title and interest in the real property subject to the Declaration.

### 4. MEETINGS

4.1. The annual meeting of the members shall be held in the fourth quarter of the year at a location, date and time selected by the board of directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. The order of business at annual meetings shall be as follows:

1. Roll call, confirmation of quorum
2. Proof of notice of meeting or waiver of notice
3. Minutes of preceding meeting
4. Reports of officers
5. Reports of committees
6. Approval of proposed budget
7. Election of directors
8. Unfinished business
9. New business
10. Adjournment

- 4.2. Special meetings of the members, for any purpose may be called by the president, a majority of the board of directors, or by owners having ten percent of the votes in the association.
- 4.3. The board of directors may designate any place within Clallam County as the place of meeting for any annual meeting or for any special meeting called by the board of directors.
- 4.4. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fourteen nor more than sixty days in advance of any meeting by hand delivery or by first class United States mail. Such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the books of the corporation, with postage thereon prepaid. The notice of any meeting shall state the time and place of the meeting and the business to be placed on the agenda by the board of directors 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 the previously approved budget that result in a change in assessment obligation, and any proposal to remove a director.
- 4.5. At all meetings of members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.
- 4.6. A quorum is present throughout any meeting of the association if the owners to which thirty-four percent of the votes of the association are allocated are present in person or by proxy at the beginning of the meeting.
- 4.7. Each Owner of one or more Lots shall be entitled to one vote per Lot owned on each matter submitted to a vote at a meeting of the members. When more than one person or entity shares ownership of a Lot, the vote shall be exercised as they determine among themselves. Delinquent members are not entitled to vote on any HPOA issue.
- 4.8. The board of directors may send notices of board meetings and other association business using electronic mail, for members who have consented in writing to receive electronic notices and have provided a valid electronic address. A member may revoke consent to use electronic mail by delivering a revocation to the association in writing.

- 4.9. The board of directors may provide, by resolution, the time and place for holding regular meetings. Meetings of the board of directors may be called by or at the request of any two directors, and shall be held at any place as the directors may determine.
- 4.10. The board of directors may provide each member with the adopted schedule of regular meetings for the ensuing year, by publishing the schedule on an internet web site accessible to all members, or by publishing the schedule in the minutes sent to members from any meeting where the schedule is determined. Changes to the published schedule shall be communicated to the members at least ten days before the rescheduled meeting, by updating the web site or by delivering the notice of change to the members in person, by US mail, or by electronic mail for members who have consented to receive electronic notices.
- 4.11. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board.
- 4.12. 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 of directors, unless the act of a greater number is required by law or by these bylaws.
- 4.13. In the event of a dispute, the parliamentary authority for the meetings shall be the most current available edition of Robert's Rules of Order or such published code of parliamentary procedure as shall be approved by a majority at the meeting.

## 5. BOARD OF DIRECTORS

- 5.1. The affairs of the Association shall be managed by its board of directors.
- 5.2. The number of directors shall be not less than three nor more than five. The initial Board of Directors shall be as set forth in the Articles of Incorporation. Directors shall be elected by the members of the corporation at the annual member meeting, beginning in 2018.
- 5.3. Any member of the Association in good standing may serve as a board director. "In good standing" means that the member is not delinquent in the payment of any assessment levied by the Association, and is not subject to any enforcement action for violations of the Declaration or Rules of the Association.
- 5.4. Only one member per household shall be allowed to serve as a board director at the same time.
- 5.5. The terms of service of a board director shall be two years. There are no restrictions on the number of terms a board member may serve.

- 5.6. 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 owners at which a quorum is present, may remove any member of the board of directors with or without cause.
- 5.7. Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors shall be filled by the board of directors. A director appointed to fill a vacancy shall serve for the unexpired term of his predecessor in office.
- 5.8. No compensation shall be paid to directors for their services as a director.
- 5.9. Except as provided in this section, all meetings of the board of directors shall be open for observation by all owners of record and their authorized agents. The board of directors shall keep minutes of all actions taken by the board, which shall be available to all owners. Upon the affirmative vote in open meeting to assemble in closed session, the board of directors may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the association, and matters involving the possible liability of an owner to the association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The board of directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the board of directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.
- 5.10. The board of directors shall not act on behalf of the association to amend the articles of incorporation, to take any action that requires the vote or approval of the owners, to terminate the association, to elect members of the board of directors, or to determine the qualifications, powers, and duties, or terms of office of members of the board of directors; but the board of directors may fill vacancies in its membership of the unexpired portion of any term.

## 6. OFFICERS

- 6.1. The officers of the corporation shall be a president, a vice president, a secretary, and treasurer, and other such officers as may be selected in accordance with the provisions of this article.

- 6.2. The officers of the corporation shall be appointed by the board of directors at the first meeting of the board of directors, and shall serve until successors are appointed.
- 6.3. Any officer appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby.
- 6.4. The Association may pay reasonable compensation to any officer or Owner for performance of substantial services for the property or carrying out management duties of the Board. Such compensation shall require prior approval of the Board of Directors and an agreement in writing detailing the scope of the services, time frame for services, the rate of pay or compensation, the date when compensation shall be payable. Such agreement may be terminated by the Board at its discretion, without cause and without prior notice.
- 6.5. The secretary may prepare, execute, certify, and record amendments to the governing documents on behalf of the association.
- 6.6. The several officers shall have such powers and shall perform such duties as may from time to time be specified in resolutions or other directives of the board of directors. In the absence of such specifications, each officer shall have the powers and authority and shall perform and discharge the duties of officers of the same title serving in non-profit corporations having the same or similar general purposes and objectives as this corporation.
- 6.7. The responsibilities of Board officers are as follows:
- 6.7.1. **President:** presides at all meetings of the board and the membership. Has the authority to authorize specific actions in support of the board's policies. Has the authority to appoint officers or committees to assist with board duties. Serves as spokesman for the board in matters relating to general association business.
- 6.7.2. **Secretary:** keeps and maintains a record of all meetings of the board and the membership. Maintains the official documents and records of the association. Prepares the order of business for board and membership meetings. Provides required notices to the board and the membership. Signs all certified copies of association documents.
- 6.7.3. **Treasurer:** manages the funds and financial records of the association. Prepares the financial statements and budgets of the association, including an annual financial report. Files required tax returns and other government forms. Collects

association fees from the membership. Disperses funds for board-approved expenditures.

6.7.4. **Vice President:** assumes the duties of the President when the President is absent or otherwise unable to act.

6.7.5. **Member at Large:** attends board meetings and assumes duties assigned by board officers. With board approval, serves as an alternate in the event of the absence or incapacity of a board officer.

## 7. COMMITTEES

7.1. Committees may be created by the Board to advise or assist the Board with association business. Homeowners may volunteer to serve on a committee without being a member of the Board.

7.2. There are two permanent standing committees created by the CCRs: the Architectural Control Committee, and the Landscape Committee.

7.3. The Architectural Control Committee consists of at least one member, appointed by the Board. If there is no member serving on the Architectural Control Committee, then the Committee consists of the entire Board.

7.4. The Landscape Committee consists of at least one member, appointed by the Board. If there is no member serving on the Landscape Committee, then the Committee consists of the entire Board.

### 7.5. Committee Responsibilities

7.5.1. Committees advise or assist the Board with association business, as directed by the Board. Board approval is required before incurring any expense.

7.5.2. The Architectural Committee reviews requests from homeowners for external building and landscaping plans, and advises the Board as to whether approvals should be granted.

7.5.3. The Landscape Committee provides recommendations to the Board and membership for maintenance and improvements to the common areas of the association. With board approval, the Landscape Committee ensures that the common areas are maintained in accordance with approved landscaping plans.

## 8. BUDGET

- 8.1. Within thirty days after adoption by the board of directors of any proposed regular or special budget of the association, the board shall set a date for a meeting of the owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the owners of a majority of the votes in the association, or any larger percentage specified in the governing documents, reject the budget, in person or by proxy, the budget is 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 of directors.
- 8.2. The Board shall notify the owners as soon as possible in the event that an expense exceeds the amount budgeted for the expense by more than twenty percent (20%).

## 9. CONTRACTS, CHECKS, DEPOSITS

- 9.1. The board of directors may authorize any officer or officers or agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or may be confined to specific instances.
- 9.2. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers or agent or agents of the corporation, and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by any two directors.
- 9.3. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

## 10. BOOKS AND RECORDS

- 10.1. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, committees having and exercising any of the authority of the board of directors, and shall keep a record of the names and address of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

11. FISCAL YEAR

11.1. The fiscal year of the corporation shall be the calendar year.

12. WAIVER OF NOTICE

12.1. Whenever any notice is required to be given under the provisions of RCW 24.03 or under the provisions of the articles of incorporation or the bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

13. AMENDMENT OF BYLAWS

13.1. These bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a majority vote of the Board, at any Board meeting at which a quorum is present, if at least 10 days' written notice is given of intention to alter, amend, or repeal or to adopt new bylaws at such meeting.

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Secretary