

**ARTICLES OF INCORPORATION  
OF  
BILL POINT HOMEOWNERS ASSOCIATION**

[Originally executed 5/22/68 (filed with Sec. of State, 5/27/68); amended 4/29/75 (filed with Sec. of State, 7/16/75); amended 3/31/76 (filed with Sec. of State, 5/12/76); amended 9/4/97 (filed with Sec. of State, 9/17/97).]

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Washington and we do hereby certify the following to be the agreed Articles of Incorporation of such corporation (herein for convenience referred to as Association):

**ARTICLE I**

The name of this corporation is Bill Point Homeowners Association.

**ARTICLE II**

The principal place of business of the corporation will be Route 5, Box 5153, Bainbridge Island, Washington. [Changed to 10753 NE Bill Point Drive, Bainbridge Island, Washington, in Article I of Bylaws on March 8, 1980.]

**ARTICLE III**

The duration of this corporation shall be perpetual.

**ARTICLE IV**

This corporation shall have no capital stock, and no shares therein nor certificates therefore shall be issued. This corporation does not contemplate pecuniary gain or profit.

## ARTICLE V

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

( a )

To own, control and operate real property.

( 1 )

To accept tracts A, B, C, D, E, F, G, H, J, K, L and M, Plat of Bill Point, recorded in Volume 13 of Plats at pages 30 and 31, to be held in trust for the use and benefit of the owners and occupants of Bill Point, and said property is not to be sold.

All properties as to which this Association has such jurisdiction are herein referred to as "said property."

( b )

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

( c )

[Original paragraph replaced on March 31, 1976 (filed 5/12/76).] To construct improvements on the land set aside for the general use of the members of the Association and to provide for the care, maintenance, repair and replacement of such land and the improvements and other recreational and community features located or constructed thereon.

( d )

To pay the taxes and assessments, if any, which may be levied by any governmental authority upon roads and parks in said property and any other open spaces maintained and lands used or acquired for the general use of the owners of lots or building sites within said property and

on any property of this Association or which may be held in trust for this Association.

( e )

To enforce charges, restrictions, conditions and covenants existing upon and created for the benefit of said property over which this Association has jurisdiction; to pay all expenses incidental thereto; to enforce the decisions and rulings of this Association having jurisdiction over any of said property; to pay all of the expenses in connection therewith; and to reimburse any declarant under any declaration of conditions, covenants, restrictions, assessments or charges affecting said property, or any part thereof, for all costs and expenses incurred or paid by it in connection with the enforcement, or attempted enforcement, of any of the conditions, covenants, restrictions, charges, assessments, or terms set forth in any declaration.

( f )

To do any and all lawful things and acts which this Association at any time and from time to time shall in its discretion deem to be to the best interests of said property and the owners of the building sites thereon and to pay all costs and expenses in connection therewith.

( g )

Any powers and duties exercised by said Association relating to the maintenance, operation, construction or reconstruction of any facility provided for herein may be contracted for with any qualified contractor as agent.

( h )

[Original paragraph changed in part, April 29, 1975 (filed 7/16/75); entire paragraph replaced March 31, 1976 (filed 5/12/76).] The Association, by appropriate Bylaws and/or by resolution of its Board of Trustees adopted from time to time, may levy and collect dues and assessments for the payment of expenses incurred or to be incurred by the Association and which are or may be required to meet the cost of its operations, including, but not limited to, the cost of the general operation of the business and affairs of the Association, the repair, maintenance or replacement of the recreational and community features and improvements located on the land set aside for the general use of the members of the Association, together with all licenses, fees, franchises, and general taxes and other governmental charges affecting any of the properties or activities of the Association. The Association through its Board of Trustees shall fix the rate and amount of dues, assessments, or other charges, to which all parcels of said property shall be subject. Such dues, charges and assessments, as established from time to time with respect to each parcel of property shall be and constitute a lien upon such parcel of real property until paid, but as such liens shall be subordinate and inferior at all times to any mortgage or mortgages then recorded or thereafter recorded as to such property. The Association, through its Board of

Trustees, may execute and record such other and further subordination agreements as the Board of Trustees may, from time to time, deem appropriate to further assure the priority of mortgages on any of said real property. The above dues, charges and assessments shall be assessed and levied against the owner of each lot on the following basis:

100% against resident owners;

66 2/3% against non-resident owners; and

33 1/3% against the developer.

Said dues, charges and assessments shall be a lien against the real property enforceable by the Association through action by the Board of Trustees in the same manner as liens against real property are foreclosed in the State of Washington. The Board of Trustees may foreclose such lien, together with the costs and expenses (including attorneys' fees) included, in the manner as provided in the Protective Covenants for Plat of Bill Point, as amended. The due date, the rate of interest, penalties, late charges and other sanctions relative to dues, charges and assessments and delinquencies thereon, the procedures for dealing with delinquent accounts, and collection and enforcement of the same shall be as set forth from time to time in such Bylaws or resolutions of the Board of Trustees, which shall be consistent with the terms of the Protective Covenants for Plat of Bill Point.

( i )

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

( j )

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

( l )

To do any and all lawful things which may be advisable, proper, authorized or permitted to be done by this Association under and by virtue of any condition, covenants, restrictions, reservation, charge or assessment affecting said property, or any portion thereof, and to do and perform any and all acts which may be either necessary for or incidental to the exercise of any of the foregoing powers, or for the peace, health, comfort, safety or general welfare of the owners of said property or any portion thereof or residence thereon.

## ARTICLE VI

The affairs of this corporation shall be managed by a Board of Trustees. The number of trustees shall not be less than five nor increased to more than eleven. The names and addresses of the persons who shall be trustees of the Association until the 1st day of September, 1968, and until the election of their successors are as follows:

N a m e o f T r u s t e e

### Address

C h a r l e s

C o l e

P.O. Box 333, Bainbridge Island, WA 98110

C a r o l e

C o l e

P.O. Box 333, Bainbridge Island, WA 98110

G e o r g e

G r e g g

Rte.5, Box 5153, Bainbridge Is., WA 98110

J o h a n n a

G r e g g

Rte.5, Box 5153, Bainbridge Is., WA 98110

R o b e r t

A l p a u g h

P.O. Box 717, Bainbridge Island, WA 98110

The time and manner of electing trustees, the tenure of office, the provision for resignation and the provision for filling vacancies shall be as prescribed by the Bylaws.

## ARTICLE VII

Membership in the Association and the terms, privileges, duties, rights and obligations thereof and the manner of admission to membership and the conditions and manner of termination of membership and for revocation of membership shall be as prescribed from time to time in the Bylaws, and pending adoption of Bylaws shall be as follows.

( a )

One membership shall exist for each dwelling house site in said property. A membership shall exist for each such site whether or not improved with a dwelling and specifically shall exist for each such site while owned by the developers of said property or their successors.

( b )

A dwelling house site shall mean a platted lot in said property, but if one or more fractional platted lots are devoted to a single dwelling house, the actual dwelling house site composed of such fractional lot or lots shall be deemed a dwelling house site.

( c )

The voting power of any membership shall be exercised by concurrence of all parties in interest in any dwelling house site. Owners as joint tenants or tenants in common shall exercise together a single vote, but the Bylaws may prescribe that a contract purchaser of record in the absence of a contrary written notice to the secretary of the Association may exercise such membership vote without the concurrence of the vendor. A mortgagee, lien claimant or title holder for security only shall not be deemed a party in interest or be entitled to a membership right or vote.

( d )

Each membership shall be entitled to one vote. The intention being that there shall be one voting membership for each dwelling house site in said property. The privileges, rights, duties and obligations of membership in respect to Association property and activities shall be prescribed in the Bylaws. The privileges, rights, duties and obligations of spouses, children, guests, tenants and others shall be as defined in the Bylaws.

( e )

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

( f )

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

( g )

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

## ARTICLE VIII

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

## ARTICLE IX (added)

[Approved by membership, September 4, 1997 (filed 9/17/97).]

The June 16, 1997, Settlement Agreement between the Board of Trustees of the Bill Point Homeowners Association and the owner(s) of Lots 7 through 10 in the Plat of Shorewood, as per plat thereof recorded in the Office of the Auditor of Kitsap County, Washington, in Volume 3 of Plats on page 12, provides that the owner(s) of those lots may use an easement from the southern end of the Bill Point Bluff cul-de-sac to provide access across Lot 55 in Bill



Point to no more than two single-family residences built on Shorewood Lots 7 through 10. Those residence sites are referred to herein as Shorewood Lot A and Shorewood Lot B. The Settlement Agreement further specifies that the owner(s) of Shorewood Lots A and B bind those lots to the Protective Covenants of the Plat of Bill Point, and that the Association extend those covenants to Shorewood Lots A and B. Accordingly, the owner(s) of Shorewood Lots A and B, their heirs or assigns, shall each be a member of the Association entitled to one membership for each lot and shall have the same rights, privileges and responsibilities as all other members of the Association who own each dwelling house site in the Plat of Bill Point. Shorewood Lots A and B shall be included within the definition of "said property" in these Articles, and the Association shall have jurisdiction over Shorewood Lots A and B to the same extent as other privately owned lots in the Plat of Bill Point.