

195467
FILE NUMBER



DOMESTIC

STATE OF WASHINGTON | DEPARTMENT OF STATE

I, A. LUDLOW KRAMER, Secretary of State of the State of Washington and custodian of its seal, hereby certify that

ARTICLES OF INCORPORATION

of KINGSGATE HIGHLANDS, DIVISION NUMBER FIVE, HOMES ASSOCIATION
a domestic corporation of Seattle, Washington,

was filed for record in this office on this date, and I further certify that such Articles remain on file in this office.



In witness whereof I have signed and have affixed the seal of the State of Washington to this certificate at Olympia, the State Capitol,

January 6, 1969

A handwritten signature in black ink, appearing to read "A. LUDLOW KRAMER".

A. LUDLOW KRAMER
SECRETARY OF STATE

File No. 185467
January 6, 1969
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A. LUDLOW KRAMER
SECRETARY OF STATE
BY _____
CORPORATION SECRETARY

File No. 185467

ARTICLES OF INCORPORATION
OF

KINGSGATE HIGHLANDS, DIVISION NUMBER FIVE,
HOMES ASSOCIATION

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 KINGSGATE HIGHLANDS, DIVISION NUMBER FIVE, HOMES ASSOCIATION.

ARTICLE II

The principal place of business of the corporation shall be 2911 Second Avenue, Seattle, Washington 98121.

ARTICLE III

The duration of this corporation shall be perpetual.

ARTICLE IV

This corporation shall have no capital stock and no shares therein or certificates therefor shall be issued. This corporation does not contemplate pecuniary gain or profit.

ARTICLE V

PURPOSE OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for

which it is formed are to provide for architectural control of the residence Lots and maintenance and preservation of the Common Area within that certain tract of property described as:

All property in a plat entitled Kingsgate Highlands, Division Number Five, which is a proposed plat in process of final approval and recording in said King County, Washington, being portion of the southwest quarter of the southeast quarter of Section 16, Township 26 North, Range 5 East, W. M., King County, Washington and portion of the northeast quarter of Section 21, Township 26 North, Range 5 East, W. M., of King County, Washington,

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association by annexation, as provided in Article XI herein.

ARTICLE VI

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:

Section 1. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association contemplated by that certain Declaration of Covenants, Conditions and Restrictions, herein called the "Declaration", applicable to the property described in said Article V as recorded in King County, Washington and as the same may be amended from time to time as therein provided.

Section 2. To care for vacant, unimproved and unkempt land in said property, remove and destroy grass, weeds and rodents therefrom, and any unsightly and obnoxious thing 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.

Section 3. 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.

Section 4. 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; to reimburse any declarant under any declaration of conditions, covenants, restrictions, assessments or charges affecting said property, or any part thereof, up to the time Class B memberships are converted into Class A memberships, 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; and to fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

Section 5. The Association, pursuant to said Declaration and otherwise by appropriate by-law adopted from time to time

or by resolution of its Board of Trustees adopted from time to time, may collect funds for the expenses of the Association and to meet the costs of its operations including the cost of licenses, franchises, taxes and governmental charges affecting any of the Properties or activities of the Association and may fix the rate per square foot or otherwise for annual charges or other assessments to which each parcel of said property which is improved with a dwelling house shall be subject. Such charges and assessments shall be established from time to time, pursuant to said Declaration or in accordance with such by-laws or resolutions and shall constitute a lien upon each parcel until paid but as a lien shall be subordinate and inferior at all times to any mortgage or mortgages now recorded or hereafter recorded as to any of said property. The Association may, on request, execute and record such further subordination agreements which may at any time by the Board of Trustees seem appropriate to further assure the priority of mortgages upon any of said property, but this provision shall not imply that any further or other subordination agreement is necessary. Such charges and assessments may be levied at uniform rates against the lots conveyed to purchasers by the Declarant and at separate uniform rates as to all lots while owned by or in which Declarant has an interest as provided in said Declaration. Said charges and assessments shall be a lien enforceable by the Association in a manner substantially the same as provided by law for the collection and enforcement of mortgages together with all costs incurred by the Association including costs of title examinations, searches and reports, and for reasonable expenses, and fees of attorneys. The due date, the rate of interest, penalties, late charges and other sanctions relative to charges and assessments and delinquencies therein,

the procedure for dealing with delinquent accounts, and collection and enforcement of same shall be a prescribed from time to time in such Declaration or in such by-laws or resolution of the Board.

Section 6. To provide for the maintenance of recreation areas, playgrounds, water areas and other community features on land set aside for the general use of the members of said Association; and 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.

Section 7. To acquire by gift, purchase, or otherwise to own, hold, enjoy, lease, operate, maintain, and to convey, sell, lease, transfer, mortgage, or otherwise encumber, dedicate for public use, or otherwise dispose of real or personal property in connection with the business of the Association.

Section 8. To expend the moneys collected by this Association from assessments or charges and other sums received 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 of the purposes for which this association is formed.

Section 9. 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.

Section 10. 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 residents thereon, and to have and to exercise all powers, rights and privileges which by law this corporation may now or hereafter have or exercise.

ARTICLE VII

Section 1. The affairs of this corporation shall be managed by a Board of Trustees. The number of trustees shall be nine. The names and addresses of the persons who shall be trustees of the Association until JULY 1, 1969, and until the election of their successors, are as follows:

Carl A. Sandquist	1654 Magnolia Boulevard West Seattle, Washington 98199
Eva M. Sandquist	1654 Magnolia Boulevard West Seattle, Washington 98199
Kenneth R. Williams	12690 72nd Avenue N. E. Kirkland, Washington 98033
Richard E. Cady	3306 Frater Avenue S. W. Seattle, Washington 98116
Murdock D. MacPherson	12233 - 8th Avenue N. W. Seattle, Washington 98177
Rudolf Podany	615 Comstock Street Seattle, Washington 98109
Don S. Johnson	8022 - 35th Avenue N. E. Seattle, Washington 98115
Marvin J. Flaherty	4929 N. E. 93rd Street Seattle, Washington 98115
Elsie S. Sybert	7016 49th Avenue N. E. Seattle, Washington 98115

Section 2. 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 in the By-Laws.

Section 3. At the first annual meeting, the members shall elect three trustees for a term of one year, three trustees for a term of two years and three trustees for a term of three years; and at each annual meeting thereafter the members shall elect three trustees for a term of three years.

ARTICLE VIII

MEMBERSHIP

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. 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.

Section 3. 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 By-Laws.

Section 4. No membership shall be transferable except as an incident to the transfer of the dwelling house site to which it is appurtenant.

ARTICLE IX

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all those owners as defined in Article VIII with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article VIII. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant (as defined in the Declaration) and three memberships shall exist for each Lot in which Declarant has an interest. The Class B members shall be entitled to three votes for each Lot in which Declarant holds the interest required for membership by Article VIII, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (b) on July 1, 1974.

ARTICLE X
LIABILITIES

The highest amount of indebtedness or liability, direct or contingent, to which this Association may be subject at any one time shall not exceed \$2,000.00 while there is a Class B membership, and thereafter shall not exceed one hundred fifty per cent of its income for the previous fiscal year, provided that additional amounts may be authorized by the assent of two-thirds of the membership.

ARTICLE XI
ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. The Association may, at any time, annex additional residential properties and common areas to the Properties described in Article V, and so add to its membership under the provisions of Article VIII, provided that any such annexation shall have the assent of two-thirds of the entire Class A membership and two-thirds of the votes of the Class B membership, if any.

Section 2. If within ten years of the date of incorporation of this Association, the Declarant should develop additional lands contiguous to the Properties described in Article V, such additional lands may be annexed to said Properties without the assent of the Class A members, provided however, that the development of the additional lands described in this section shall be in accordance with a general plan submitted to the Federal Housing Administration and the Veterans Administration with the processing papers for the first section. Detailed plans for the development of additional lands must be submitted to the Federal Housing Administration and the

Veterans Administration prior to such development. If either the Federal Housing Administration or the Veterans Administration determines that such detailed plans are not in accordance with the general plan on file and such agency or agencies so advises the Association and the Declarant, the development of the additional lands must have the assent of two-thirds of the Class A members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty days nor more than sixty days in advance of the meeting setting forth the purpose of the meeting.

At this meeting, the presence of members or of proxies entitled to cast sixty per cent of all of the votes of the Class A membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting.

ARTICLE XII

MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds of the entire Class A membership and two-thirds of the entire Class B membership, if any.

ARTICLE XIII

AUTHORITY TO MORTGAGE

Any mortgage by the Association of the Common Area

defined in the Declaration shall have the assent of two-thirds of the entire Class A membership and two-thirds of the Class B membership, if any.

ARTICLE XIV

AUTHORITY TO DEDICATE

The Association shall have power to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds of the votes of the entire Class A membership and two-thirds of the entire Class B membership, if any, agreeing to such dedication, sale or transfer.

ARTICLE XV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds of the entire Class A membership and two-thirds of the entire Class B membership, if any. Upon dissolution of the Association, the assets, both real and personal, of the Association shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

ARTICLE XVI

MEETINGS FOR ACTIONS GOVERNED BY ARTICLES X THROUGH XV

In order to take action under Articles X through XV, there must be a duly held meeting. Written notice setting forth the purpose of the meeting shall be given to all members not less than thirty days nor more than sixty days in advance of the meeting. The presence of members or of proxies entitled to cast sixty per cent of the votes of each class of membership shall constitute a quorum, except for Article XI, Section 2, where the quorum requirement is specifically set forth. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting. In the event that two-thirds of the Class A membership or two-thirds of the Class B membership, if any, are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

ARTICLE XVII

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five per cent of the entire membership.

ARTICLE XVIII

FHA/VA APPROVAL

As long as there is a Class B membership the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation or

of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XIX

BY-LAWS

By-Laws 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 By-Laws, 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.

IN WITNESS WHEREOF, the undersigned have caused these presents to be duly and regularly executed by due authority at Seattle, Washington, this 16th day of October, 1968.

MAC LAND, INC.

By Murdock D. MacPherson
Its Pres

C. LAND, INC.

By Carl A. Sandquist
Its Pres

Carl A. Sandquist
Carl A. Sandquist

Eva M. Sandquist
Eva M. Sandquist

Murdock D. MacPherson
Murdock D. MacPherson

Marylin J. Flaherty
Marylin J. Flaherty

Elsie S. Sybert
Elsie S. Sybert

Kenneth R. Williams
Kenneth R. Williams
Richard E. Cady
Richard E. Cady
Rudolf Podany
Rudolf Podany
Donald S. Johnson
Donald S. Johnson

STATE OF WASHINGTON }
County of King }ss

On this 1st day of October, 1968, before me,
the undersigned, a Notary Public in and for the State of Washington,
duly commissioned and sworn personally appeared Carl J. Sandquist,
to me known to be the President of MAC LAND, INC., 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 was authorized to execute the said instrument
and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day
and year in this certificate above written.

Maurice Rice
Notary Public in and for the State

of Washington, residing at Seattle.

STATE OF WASHINGTON }
County of King }ss

On this 10th day of October, 1968, before me,
the undersigned, a Notary Public in and for the State of Washington,
duly commissioned and sworn personally appeared Carl J. Sandquist,
to me known to be the President of C. LAND, INC.,
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 was authorized to execute the said instrument
and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day
and year in this certificate above written.

Maurice Rice
Notary Public in and for the State

of Washington, residing at Seattle.

STATE OF WASHINGTON }
County of King }ss

On this 14th day of October, 1968, before me,
the undersigned, a Notary Public in and for the State of Washington,
duly commissioned and sworn personally appeared CARL A. SANDQUIST,
EVA M. SANDQUIST, MURDOCK D. MACPHERSON, MARVIN J. FLAHERTY, ELSIE
S. SYBERT, KENNETH R. WILLIAMS, RICHARD E. CADY, RUDOLF PODANY, and
DON S. JOHNSON, to me known to be the individuals described in and
who executed the foregoing instrument, and acknowledged to me that
they signed and sealed the said instrument as their free and vol-
untary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day
and year in this certificate above written.

Maurice Rice
Notary Public in and for the State

of Washington, residing at Seattle