

**BYLAWS**  
**OF**  
**SUNLAND OWNERS ASSOCIATION**

**ARTICLE I**

Name and Location

Section 1. The name of the Association shall be SUNLAND OWNERS ASSOCIATION, hereafter referred to as "SLOA."

Section 2. The principal office of SLOA shall be located in the vicinity of the City of Sequim, Clallam County, Washington, but subsidiary offices may be located within or without the State as the Board of Directors of SLOA may from time to time determine. Meetings of the members and of the directors may be held at such places within or without the State of Washington as may be designated by the Board of Directors from time to time.

**ARTICLE II**

Purposes

Section 1. SLOA shall be conducted as a non-profit corporation for the purposes set forth in the Articles of Incorporation and in the Declaration of Covenants, Conditions and Restrictions applicable to the properties as recorded in the Office of the Auditor of Clallam County, Washington.

Section 2. The purposes for which SLOA was created may be altered, modified, enlarged, or diminished by a vote of a majority of the membership at a meeting duly called for such purpose, notice of which meeting shall be given as herein provided.

**ARTICLE III**

Definitions

Section 1. "Association" shall refer to SunLand Owners Association, its successors and assigns (hereafter referred to as "SLOA").

Section 2. "Properties" shall refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of SLOA.

Section 3. "Common area" shall refer to all real property owned by SLOA for the common use and enjoyment of the owners.

Section 4. "Lot" shall refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common areas.

Section 5. "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, including vendees and contract purchasers whose voting rights and privileges shall be limited as set forth in the Articles of Incorporation, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declaration" shall refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties as recorded in the Office of the Auditor of Clallam County, Washington.

Section 7. "Member" shall refer to those persons entitled to membership as provided in the Declaration and Articles of Incorporation of SLOA.

## ARTICLE IV

### Membership

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest or purchaser under conditional sales contract of one or more lots which is subject by covenants of record to assessment by SLOA, including contract vendors, shall be a member of SLOA, and as such subject to payment of SLOA dues. 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 inseparably appurtenant to lots within the subdivision or division plat or plats of SunLand and upon transfer of ownership or the execution by any member of a contract for the sale of any such lot or lots, such membership shall ipso facto be deemed to be transferred to the grantee or contract purchaser.

Section 2. The privileges and facilities of SLOA shall be extended to the spouse and children of a member and may be extended to guests under such rules and regulations as the Board of Directors may prescribe.

Section 3. No membership may be conveyed or transferred except by sale of the lot to which such membership is appurtenant or the making of a contract for the sale therefor. In the event of the death of a member, membership shall pass in the same manner and to the same person as does the lot or lots.

Section 4. The vote of any membership owned by a single marital community may be cast by either spouse without presentation of authority from the other, but if both are present, only one may vote.

Section 5. No membership shall be forfeited nor any member expelled except for the non-payment of dues, and then only subject to the discretion of the directors and upon a majority vote thereof, and no member may withdraw except upon the transfer of title to or upon contracting for the sale of the lot to which his membership is appurtenant. No compensation shall be paid by SLOA upon the transfer of membership and no member whose membership is transferred shall be entitled to share or participate in any of the property or assets of SLOA.

## ARTICLE V

## Meetings of the Members of SLOA

Section 1. Annual Meeting. The annual meeting of SLOA shall be held in September of each calendar year, the time and place thereof to be fixed by the Board of Directors of SLOA.

Section 2. Special Meetings. Special meetings of the members shall be held whenever called by the President or Vice President or by a majority of the members of the Board of Directors and must be called by such officers upon receipt of a written request of the members entitled to cast ten percent (10%) of the votes of the entire membership.

Section 3. Notice of Meetings. A written or printed notice of every planned meeting of SLOA, stating whether it is an annual meeting or special meeting, the authority and purpose for the call of the meeting, the place, day, and hour, shall be given by the Secretary or the person or persons calling the meeting at least fourteen (14) days and no more than sixty (60) days from the date set for such meeting. Such notice shall be given to each member in any of the following ways:

- a. By leaving the same with him personally; or
- b. By first class mail, postage prepaid, addressed to each member, at his address as it appears in the records of SLOA; or
- c. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings thereat. Upon written request for notices mailed by registered mail, addressed to the Secretary of SLOA at the address of SLOA, the holder of any duly recorded mortgage against any lot may promptly obtain a copy of any and all notices permitted or required to be given to the members. Notice of any meeting may be waived in writing before or after any such meeting.

Section 4. At any meeting of SLOA, the presence at such meeting of members and proxies totaling ten percent (10%) of those entitled to vote shall consist of a quorum for the official conduct of business. If, however, such a quorum cannot be achieved, the members who are present shall have the power to adjourn the meeting from time to time until a quorum can be achieved. At any meeting at which a quorum is present, a majority of such members constituting a quorum, either in person or by representative, shall be valid and binding upon SLOA except where otherwise provided by law, these Bylaws, the Articles of Incorporation, or the Declaration.

Section 5. Voting. Any person, firm, corporation, trust, or other legal entity, or a combination thereof, owning any lot or lots in the said plat or plats, duly recorded in his, her, or its name, shall be entitled to one vote at any and all meetings of SLOA. Each owner and/or purchaser shall have one membership regardless of the number of lots owned or purchased and the interest of each member shall be equal to that of any other member. No member can acquire any interest that shall entitle him to any greater voice, vote or authority in the corporation than any other member. The purchaser under a contract of purchase shall be deemed to be an owner for membership purposes. Any provision to the contrary notwithstanding, co-owners or joint owners shall be deemed one owner for the purpose of voting. The authority given by one member to another person to represent such member at meetings of SLOA shall be in writing, signed by such member, or if a lot or lots are jointly owned, then by all joint owners, or if such member is a corporation, by the proper officers thereof, and shall be filed with the Secretary of SLOA and unless limited by its terms, such authority shall be deemed good until revoked in writing.

Section 6. Order of Business. The order of business at the annual meeting of the members, and as far as practical at all other membership meetings, shall be as follows:

- a. Calling of the role and certifying proxies;
- b. Proof of notice of meeting or waiver;
- c. Reading and disposition of any unapproved minutes;
- d. Reports of officers;
- e. Reports of committees;
- f. Election of directors, if necessary;
- g. Unfinished business;
- h. New business;
- i. Adjournment.

Section 7. Adjournment. Any meeting of SLOA may be adjourned from time to time to such place and time as may be determined by a majority vote of the members present, whether a quorum be present or not, without notice other than the announcement at the meeting.

## ARTICLE VI

### Board of Directors

Section 1. The Board of Directors shall exercise overall responsibility for the assurance of good order and communal tranquility in conformance with the Declaration and the Articles of Incorporation. In furtherance of these objectives, the Board shall formulate and publish Architectural Requirements and Guidelines in the form of its "Application for Construction Documents Review." Further, the Board shall promulgate necessary and proper Rules and Regulations to govern the membership in the full and unencumbered enjoyment of their property and their life in SunLand. The Board shall have and exercise powers, rights and privileges to enforce such Architectural Requirements and Guidelines and Rules and Regulations and to make such changes from time to time as circumstances and governing state and local statutes may require.

Section 2. Number and Qualifications. The affairs of SLOA shall be governed by a Board of Directors composed of not less than nine (9) and not more than eleven (11) persons.

Section 3. Election and Term of Office. Directors shall be elected by a majority of the members. The assignment of each director to a job function shall be accomplished at an organizational meeting no later than five (5) days after the annual meeting. The normal term of office is three (3) years (four (4) years for President-Elect). Offices being vacated shall not exceed three (3) per each year requiring that all offices be staggered in term limits. The Board has the authority to change the term of office of any director to keep the stagger workable. The term of office of the President shall be limited to two (2) consecutive years maximum.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; each person so elected shall serve for the unexpired term of his predecessor and until a successor is elected and seated at an annual meeting of SLOA.

Section 5. Removal of Directors. Any director may be removed by concurrence of a majority vote of owners voting by proxy or in person at any meeting called for that purpose.

Section 6. Nomination of Directors. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of SLOA. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but not less in any event than the number of vacancies that are to be filled.

Section 7. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within one week of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting provided a majority of the whole Board shall be present.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail, addressed to his residence, or by telephone, at least three (3) days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director, given personally or by mail, addressed to his residence, or by telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors may be called by the President or Secretary in like manner and on like notice upon the written request of at least three (3) directors.

Section 10. Waiver of Notice. Prior to or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting. This waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall be a waiver of notice by him of the time and place of that meeting. If all the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Board of Directors' Quorum. At all meetings of the Board of Directors a majority of the directors shall constitute a quorum for the transaction of business. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum can be achieved.

Section 12. Insurance of Officers. The Board of Directors shall require that all officers of SLOA handling or responsible for corporate funds shall furnish adequate liability insurance. The premiums on such insurance shall be paid by SLOA as a common expense.

Section 13. Powers of the Board of Directors. The Board of Directors shall have power to:

- a. Adopt and publish Rules and Regulations governing the use of the common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for any infraction thereof;

- b. Suspend the voting rights and rights to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any dues or any financial obligation levied by SLOA. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published Rules and Regulations; other sanctions may be imposed as the Board sees fit;
- c. Exercise for and on behalf of SLOA all powers, duties, and authority vested in or delegated to SLOA, and not specifically reserved to the membership, by the provisions of these Bylaws, the Articles of Incorporation of SLOA, the statutes of the State of Washington, or the Declaration;
- d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent for three (3) consecutive regular meetings of the Board of Directors and such absence be unexcused;
- e. Employ a manager, managing agent, independent contractor, or such other employees and agents as they deem necessary and to fix and prescribe their duties, compensation, and other terms and conditions of employment;
- f. To do all things necessary for the administration of the affairs of SLOA and for the accomplishment of the best interests of SLOA, its facilities, utilities and properties.

Section 14. Duties of the Board of Directors. It shall be the duty of the Board of Directors to:

- a. Keep a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth of members entitled to vote;
- b. Supervise all officers, agents, and employees of SLOA assuring that their duties are properly performed;
- c. Supervise the care, upkeep and surveillance of all SLOA common areas and facilities;
- d. Determine and collect all financial obligations of SLOA members, including enforcement measures and penalties, in full consonance with applicable provisions of the SLOA covenants, and in furtherance thereof, to:
  - (1) Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;
  - (2) Fix the amount of annual dues to be paid by each member at least thirty (30) days in advance of the due date thereof;
  - (3) Provide means for the collection of such dues and/or assessment as so fixed;
  - (4) Give written notice of such dues and assessment to every member and owner subject thereto at least thirty (30) days in advance of the due date thereof;

- (5) Place a lien against any property or take any other action of law for which dues and/or assessments are not paid within sixty (60) days after the due date.
- e. Issue, upon demand by any person legitimately involved in the transfer of a member's property, a certificate stating whether that member's dues or assessments are either delinquent or paid in full. Such a certificate shall be conclusive evidence of the status of the account of said SLOA member. A reasonable charge may be made for the certificate;
- f. Procure and maintain adequate liability and hazard insurance on property owned by SLOA, as well as umbrella policy to cover members of the Board of Directors;
- g. Provide for the maintenance, repair and upkeep of the properties of SLOA and the common areas;
- h. Assure that all procedures incident to enforcement of SLOA Covenants and Rules and Regulations and any penalties incurred as a consequence thereof meet the requirements of due process of law. The Board of Directors shall provide the procedures to enforce infraction, either by suspension of rights or legal actions.

## ARTICLE VII

### Officers

Section 1. Designation. The officers of SLOA shall be a President, Vice President (also President-Elect), Secretary, Treasurer, and either a Counselor or Advisor. The office of Secretary-Treasurer may be combined. The office of Vice President (President-Elect) is inseparably combined and designed to be held by the same person. All shall be elected by and from the Board of Directors and all of whom shall be members of SLOA. The directors may appoint an Assistant Treasurer and Assistant Secretary and such other subordinate officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of SLOA shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board, and/or until their successors be elected and qualified by and from the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for that purpose. Removal of such officer, however, shall not affect a removal from his position as a member of the Board.

Section 4. Vacancies. A vacancy in any of the offices may be filled by appointment by the Board of Directors, choosing from among their number. Recognizing that the ideal may never be fully attainable, it should be incumbent on the Board of Directors to adhere to principles of succession in office; that every effort be made to maximize experience in office; and that the office of President must now be filled by a board member having at least a year as a general

member and one year as Vice President. An appointee to such vacancy shall serve for the remainder of the unexpired term of the officer whom he replaces.

Section 5. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person, as well as the office of Vice President and President-Elect. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 6. President. The President shall be the chief executive officer of SLOA. He shall preside at all meetings of SLOA and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of SLOA.

Section 7. Vice President.

- a. This office is also the "President-Elect" and becomes President at the conclusion of the President's term.
- b. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also become especially familiar with the list of board motions for the last five years. This list is prepared in the office and indexed to coincide with the subject matter represented by the various committee heads. The office of Vice President (President-Elect) will be considered as a training ground for succession to the office of President.
- c. The Vice President shall be provided with a compilation of all motions made by the Board for the most recent five years and index the list to standing committees or by any other criteria the Board feels would provide easier access. This list shall be available to each Board member but is the primary responsibility of the Vice President (President-Elect) to become thoroughly familiar with its contents to bring to the Board's attention inconsistencies as well as similarities that may already have been resolved or spoken to by previous boards.
- d. The nomination and selection of a Vice President must be done in such a manner as to assure the nominee understands and agrees to the succession process and duties.
- e. Any candidate for Vice President (President-Elect) should have had at least one year on the board at some time in the past.

Section 8. Counselor-Advisor. At the conclusion of the term of President that person will remain on the board for a year as an Advisor or Counselor with all the privileges of any board member. Like the President, the Counselor may not initiate a motion but has a vote.

Section 9. Treasurer. The Treasurer shall be responsible for receiving and keeping faithfully and depositing in such bank or banks as may be designated by the Board of Directors, all funds, securities, and liquid assets of SLOA, in its name for its account, and shall disburse funds of SLOA under the direction of the Board of Directors on checks signed in the manner from



time to time determined by the Board of Directors. The Treasurer shall be responsible for keeping full and accurate books of account and making such report of the finances and transactions of SLOA as may be required by the Board of Directors and shall prepare and present to the annual meeting of the members a full statement showing in detail the financial condition of SLOA.

Section 10. Secretary. The Secretary or Recording Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of SLOA, shall give all notices as provided by the Bylaws, and shall have such other powers and duties as may be incidental to the office of Secretary stated by these Bylaws or assigned to the Secretary from time to time by the directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a Secretary Pro Tem who shall keep the minutes of such meeting and record them in the books provided for that purpose.

## ARTICLE VIII

### Committees

Section 1. Nominating Committee. As elsewhere provided in these Bylaws, the Board of Directors shall, in accordance with the provisions therefor, appoint a Nominating Committee to perform those duties and functions as herein set forth.

Section 2. Architectural Committee. The Board of Directors of SLOA shall annually, at their Organizational Meeting, appoint an Architectural Committee which shall consist of as many persons, but in no event less than three (3), as the Board shall deem appropriate. The Architectural Committee shall function and shall exercise the powers, rights, duties and obligations as are more particularly set forth in the Declaration of Covenants, Conditions and Restrictions of record.

Section 3. Other Committees. The Board of Directors may from time to time appoint such other committees as are deemed appropriate to carry out its purposes and shall, as required by the Declaration, appoint such committees as are necessary for the performance of the requirements of such Declaration.

## ARTICLE IX

### Books and Records

Section 1. The books and records and papers of SLOA shall at all times, during reasonable business hours, be subject to inspection and copying by any member of SLOA. Copies of all pertinent documents of SLOA, including but not limited to the Declaration, the Articles of Incorporation, and the Bylaws, shall be available for inspection by any member at the offices of the corporation and copies thereof made available at reproduction cost.

## ARTICLE X

### Liabilities

Section 1. Any person who is made or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal,

administrative, or investigative, by reason of the fact that he or she is or was a director, officer, or member of this corporation, or is or was serving at the request of this corporation, shall be indemnified by SLOA against all judgments, penalties, fines, settlements, and reasonable expenses, including attorney's fees, actually and reasonably incurred by him/her in connection with such action, suit, investigation, or other proceeding. This indemnification shall apply whether or not such person continues to be a director, officer or member at the time of the incurring or imposition of such costs, expenses or liabilities. Provided, that such indemnity shall not indemnify any director, officer or other person from or on account of acts or omissions of such person finally adjudged to be intentional misconduct or a knowing violation of law, or from or on account of conduct finally adjudged to be in violation of RCW 23A.08.450 or from or on account of any transaction with respect to which it was finally adjudged that such person personally received a benefit in money, property or services to which he was not legally entitled. Provided, further, that no indemnification shall be made pursuant to this provision in respect to any proceeding in which such person shall have been adjudged to be liable to the corporation. Reasonable expenses for which indemnification is provided herein may be paid or reimbursed by the corporation in advance of the final disposition of any such proceeding. Such indemnity shall inure to the benefit of the heirs, executors and administrators of any such person. This provision shall be in addition the rights of indemnification provided by the law. The corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, member, or other agent or employee of the corporation or is serving or was serving at the request of the corporation, against any liability asserted against him or her and incurred by him or her in such capacity or arising out of such status, whether or not the corporation would have power to indemnify against such liability. Any indemnification in accordance with this provision, including any payment or reimbursement of expenses, shall be reported to the members with the notice of the next member's meeting or prior thereto in a written report containing a brief description of the proceedings involving the person being indemnified and the nature and extent of such indemnification.

Section 2. A special fee can be charged at the Board's discretion against any member or group of members that through any action, either direct or indirect, cause SLOA, the Board, or any member of the Board to be subject to any legal action. This would include any attorney fees, financial awards or judgements.

## ARTICLE XI

### Accounting

Section 1. Budget. Compatible with the terms and conditions of the Declaration and of the levy of dues and assessments required to be made pursuant thereto, the Board of Directors shall adopt a budget for each fiscal year of SLOA which shall include the estimated funds required to defray common expenses, dues, assessments, and provide funds for the various and sundry accounts. Within thirty days after adoption by the Board of Directors of the budget, the board shall set a date for a meeting of the owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing of a summary of the budget to the owners. At the meeting, the budget is adopted unless a majority of all members vote to reject the budget, regardless of whether a quorum is present. If a proposed budget fails by vote or lack of notice to the owners, the previously adopted budget continues until another budget is proposed and adopted.

Section 2. Accounts. The funds and expenditures of SLOA as collected from annual or special assessments and charges shall be credited and charged against various and sundry

accounts as shall be appropriate and as shall from time to time be established by the Board of Directors upon the recommendation of the auditor. Accounts may be established for current expenses, for the accumulation of reserves for deferred maintenance, replacement, depreciation and obsolescence and for additional improvements, additions and betterments as more particularly set forth in the Declaration.

Section 3. Depository. The depository of SLOA shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which the monies of SLOA shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board of Directors. The Board of Directors shall from time to time, in their discretion, advise and direct the Treasurer, or other person charged with the responsibility of investment of accumulated funds, as to the investment of such funds. At no point shall any funds of the SLOA be commingled with the funds of any other association, nor with the funds of any manager of SLOA or any other person responsible for the custody of such funds.

Section 4. Records. At least annually, the Board of Directors shall prepare, or cause to be prepared, a financial statement of the association. The financial statements shall be audited at least annually by an independent certified public accountant, but at a meeting of the owners where a quorum is present, a sixty-seven percent (67%) vote to waive the audit will waive the audit, and also approve a financial review by a certified public accountant.

## ARTICLE XII Dues and Assessments

Section 1. There shall be annually levied and collected dues and assessments as fixed by the Board of Directors pursuant to the provisions of Article XI hereof as follows:

- a. Assessments shall be deemed to be charges levied by SLOA on an annual basis, although collected by the month, quarter, or semi-annually, against each and every lot, tract, or parcel within the platted subdivision or division, irrespective of multiple property ownership, to be used to defray costs of installation or acquisition of capital improvements generally classified as utilities such as water systems, sewage collection and disposal systems, garbage collection and disposal, roads and streets, common area and street lighting and the operation and maintenance including reserves for depreciation, replacement and obsolescence of such improvements when so installed or acquired. Each lot, tract or parcel devoted to common use shall bear its equitable share of the installation or acquisition costs, together with operation and maintenance of such utility, the same to be levied and collected as part of the annual assessment.
- b. Dues shall be those charges collected from SLOA members to be used to defray the administrative cost and expense of SLOA, and the operation and maintenance of its properties, services, common areas, and those amenities which are open to use on a family or individual basis to the general SLOA membership as an adjunct of such membership, such as community club, swimming pools, tennis courts, parks and playgrounds, beach area, and other like common facilities.

Section 2. As more fully provided in the Declaration, each lot owner is obligated to pay to SLOA annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be

deemed delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest at the highest legal rate from date of delinquency until paid, and SLOA may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and a reasonable attorney's fee of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for assessments provided for herein by non-use of the utility services available or by abandonment of his lot, or by any other means whatsoever. Assessments may be collected on an annual, semi-annual, quarterly, or monthly basis as the Board of Directors shall from time to time fix and determine.

### ARTICLE XIII

#### Miscellaneous Provisions

Section 1. Rules of Conduct. Rules, regulations and restrictions concerning the use of the lots and of the common areas and facilities shall be promulgated and amended by the Board of Directors from time to time. Copies of such rules, regulations and restrictions shall be furnished by the Board to each lot owner prior to their effective date. Such rules, regulations and restrictions shall be in addition to the restrictions set forth in the Declaration.

- a. Policy of SLOA with Respect to Non-Conforming Uses. The following shall be considered a "non-conforming use" on any residential lot in SunLand:

Any trade, craft, business, professional, commercial or manufacturing enterprise or business or commercial activity of any kind conducted or carried on upon any residential lot or within any building located on a residential lot, or the keeping, storage, dismantling, or outside repair of any goods, equipment, vehicles (including buses and trailers of any description) or materials or supplies used in connection with any trade, service or business, wherever the same may be conducted.

Any "non-conforming use" under the above definitions on any residential lot in SunLand is prohibited unless otherwise approved in writing in advance by the Board of Directors of SLOA. In evaluating whether or not to grant such approval, the Board may consider, among other factors, the following criteria:

- (1) Whether the home enterprise is carried on entirely within the residential structure;
- (2) Whether the operator of the home enterprise lives in the residential structure as his or her primary residence;
- (3) Whether the home enterprise is operated in a manner which gives any outward appearances or manifests characteristics of a business;
- (4) Whether there are displays or storage of salvage materials, finished or partially finished merchandise outside of the residential structure.  
Additionally, if the home enterprise involves work with vehicles or machinery, whether there is storage or work performed on such vehicles or machinery outside the residential structure;
- (5) Whether the home enterprise involves equipment operations or processes which introduces noise, smoke, dust, fumes, vibrations, odors, glare or other nuisance characteristics or

hazards beyond those associated with a normal residence which can be detected off premises or in some way adversely affect neighboring property;

(6) Whether the home enterprise increases local vehicular traffic, moving or parked, beyond that which is normal to residential use;

(7) Whether the home enterprise displays a sign for identification or other purposes.

Section 2. Governing Reference. Where in these Bylaws anything in conflict with the Articles of Incorporation, Declaration or governing laws of the State of Washington made and provided in like causes be in conflict therewith, then the Articles of Incorporation, the Declaration, or state laws shall prevail. Likewise, in the event matters and things may from time to time arise which are not treated or provided for herein, reference for assistance in their determination may be made to the Declaration, to the Articles of Incorporation, or to the governing laws, as the case may be.

Section 3. Notices. Except as herein expressly provided with respect to notices of meetings of the members and of the Board of Directors, all notices to the Board of Directors or SLOA shall be sent by registered or certified mail in care of the Managing Agent, and if there is no Managing Agent, to the office of the Board of Directors or to such other address as the Board may hereafter designate from time to time. All notices to any lot owner shall be sent by registered or certified mail to such address as may have been designated by such lot owner from time to time in writing to the Board of Directors. All notices required to be given to owners of any lot or any contract vendor of any such lot shall be sent by registered or certified mail, to their respective addresses as designated by them from time to time in writing. All notices shall be deemed to have been given when mailed, except notices of change of address, which shall be deemed to have been given when received.

Section 4. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or affect of the balance thereof.

Section 5. The Use of Section, Number, Gender. The use of the masculine gender in these Bylaws shall include the feminine gender and the use of the singular shall include the plural whenever the context so requires.

Section 6. Waiver. No restriction, condition, obligation or prevision contained in these Bylaws shall be abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 7. Conflicts. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 8. Corporate Seal. SLOA may adopt a corporate seal, circular in form, as prescribed by the statutes of the State of Washington for corporations organized pursuant to the provisions of RCW 24.03, which seal shall bear thereon the words "SunLand Owners Association, Corporate Seal, Washington, .1970."

Section 9. Amendment of Bylaws. These Bylaws may be amended, modified, or revoked in any respect from time to time by a majority vote of the Board of Directors in the regular or special meeting called for that purpose; provided that any such amendment shall be submitted to the general membership for their consideration and comment at the next following annual meeting of SLOA or at a special meeting called for that purpose.

**ADOPTION OF BYLAWS**

The foregoing Bylaws were adopted by a majority vote of the Board of Directors of SLOA on this 8<sup>th</sup> day of November, 2000.

The foregoing Bylaws were adopted by a majority vote of the members of SLOA on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

SUNLAND OWNERS ASSOCIATION

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