

**BYLAWS
OF
TREMONT COMMUNITY ORGANIZATION**

ARTICLE I

PURPOSES

SECTION 1. These Bylaws are adopted for the administration of the Association and property described in that certain Declaration of Protective Covenants, Conditions and Restrictions (the "Declaration") recorded on April 10, 2012, under King County Recorder's No. 20120410000612, together with such other property as may, from time to time, be made subject to said Declaration.

SECTION 2. The terms used in these Bylaws shall have the same meaning as in the Declaration, unless otherwise indicated.

SECTION 3. The initial office of the Association shall be located at 846 108TH Ave NE, Bellevue, WA 98004. 425.455.9280

ARTICLE II

MEMBERSHIP

Membership of the Association shall consist of and be limited to the initial members and such others as are record owners of a fee interest in any lot within Tremont Community Organization, ("Tremont"), as recorded under King County Recorder's No. 20120410000612, in King County, Washington, together with any subsequent phases of said development as may, from time to time, be made subject to the Declaration; PROVIDED that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member. "Members" shall mean owners or contract purchasers of the building lots within "TREMONT", and shall be subject to the Articles of Incorporation and Bylaws of the Association and shall pay assessments/fines to the Association as provided in their contracts, deeds, Protective Covenants, these Bylaws and/or the Articles of Incorporation.

ARTICLE III

DIRECTORS AND OFFICERS

SECTION 1. Power of the Association shall be vested in a Board of Directors. The number of directors who shall manage the affairs of the Association shall be not more than nine or less than three. At any meeting or special meeting called therefor the Members may increase or decrease the number of directors to any number not more than nine or less than three. All directors must be a Member as defined in Article II, or a designated representative of a Member.

SECTION 2. Directors shall be elected to serve for two years, or until their successors are elected and duly qualified; **provided**, the first Board of Directors following transfer of management by the Developer shall be elected by the Members for staggered terms (i.e., at least two directors will be elected for one-year terms) so as to assure continuity of management from year to year). Thereafter, directors shall be elected by the Members at the annual meeting.

SECTION 3. At the first meeting of the Board of Directors, they shall elect a president, vice-president, secretary and treasurer. The Board may also at any time appoint an executive secretary and/or assistant secretary and/or assistant treasurer. Officers of the Association so elected shall hold office for the term of one year and until their successors are qualified. Any officer may be suspended or removed by a majority vote of all of the directors. Thereafter, officers shall be elected by the Board of Directors at the annual meeting.

SECTION 4. No director or officer shall receive any salary or compensation from the Association.

SECTION 5. The Board of Directors may fill vacancies in its membership of the unexpired portion of any term by appointment by a majority of the remaining directors. The person so appointed shall hold office until the next regular meeting of the Members of the Association, at which annual or adjourned annual meeting the vacancies for the remainder of the original terms, if any, shall be filled by election by the Members in the regular manner.

SECTION 6. The Members 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 Members at which a quorum is present, may remove any member of the Board of Directors with or without cause.

ARTICLE IV

MEETINGS

SECTION 1. Annual meetings of the Members of the Association shall be held at the principal place of business of the Association or at such other place as the Board of Directors may select. The regular annual meeting of the Members shall be held at such time as the Board of Directors shall determine. Notice thereof shall be given by the secretary by mailing a notice to each Member not less than fourteen (14) days, nor more than sixty (60) days prior to the date of the meeting.

SECTION 2. Special meetings of the Members may be called at any time by the President or a majority of the Board of Directors or upon written request of the Members who are entitled to vote ten percent (10%) of all the votes in the Association. Notice of the special meeting stating the object thereof shall be given by the Secretary by mailing such notice to each Member not less than fourteen (14), nor more than sixty (60) days prior to the date on which such meeting is to be held.

SECTION 3. At any meeting of the membership of the Association, each Member so present shall be entitled to one vote and may exercise his right to vote by proxy.

SECTION 4. At all annual and special meetings, the presence of Members entitled to cast, or of proxies entitled to cast, 15% of the votes of membership shall constitute a quorum for the transaction of business.

SECTION 5. Any action required or permitted to be taken at a Members meeting may be taken without a meeting if a written consent setting forth the action so taken is signed by a majority of all Members entitled to vote with respect to the subject matter thereof. Any such consent shall be inserted in the minute book as if it were the minutes of the Members meeting.

ARTICLE V

POWERS AND DUTIES OF DIRECTORS

SECTION 1.

Powers. Subject to limitations in the Articles of Incorporation, these Bylaws and the Laws of the State of Washington, all powers of the Association shall be exercised by or under the authority of, and the business affairs of the Association shall be controlled by, the Board of Directors. Without prejudice to such general powers, and subject to the

same limitations, it is hereby expressly declared that the directors shall have the following powers:

(a) Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect assessments for common expenses from Members;

(b) Hire and discharge or contract with managing agents and other employees, agents and independent contractors;

(c) Institute, defend, or intervene in litigation or administrative proceedings in the name of the Association, or on its behalf, or two or more Members on matters affecting the homeowners association, but not on behalf of Members involved in disputes that are not the responsibility of the Association;

(d) Make contracts and incur liabilities;

(e) Acquire, hold, encumber, and convey in the name of the Association, any right, title or interest to real or personal property;

(f) Grant easements, leases, licenses, and concessions through or over the common areas and petition for or consent to the vacation of streets and alleys;

(g) Impose and collect any payments, fees, or charges for the use, rental or operation of the common areas;

(h) Impose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the Board of Directors or by the representative designated by the Board of Directors and in accordance with the procedures as provided in the Bylaws or rules and regulations adopted by the Board of Directors, levy reasonable fines in accordance with a previously established schedule adopted by the Board of Directors and furnished to the Members for violation of the Bylaws, protective covenants, rules and regulations of the Association;

(i) Manage the Association's obligations arising under the terms and conditions of the Agreement for Maintenance of Open Space and Areas within Public Right of Way recorded under King County Recorder's No. 20120410000612 and to authorize the expenditure of funds as reasonable and necessary in so doing;

(j) Exercise any other powers conferred by the Bylaws;

(k) Exercise all other powers that may be exercised in this state by the same type of corporation as the Association; and

(l) Exercise any other powers necessary and proper for the governance and operation of the Association

THE BOARD OF DIRECTORS SHALL NOT HAVE THE POWER TO:

(a) Amend the Articles of Incorporation or Bylaws, or take any action that requires the vote or approval of the Members;

(b) Terminate the Association;

(c) Elect members of the Board of Directors, or to determine the qualification, 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, to serve until the next annual meeting;

(d) Perform any other act expressly prohibited under RCW 64.38.

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

(a) Cause to be kept a complete record of all 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 ten percent (10%) of the Members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration 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) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) Levy and collect special assessments and fines as more particularly described in the Declaration; and

(4) Place a lien against any property for which assessments and/or liens are not paid, or to bring an action at law against the owner personally obligated to pay the same;

(d) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(f) Cause all property/facilities owned by the Association, including roads, storm drainage system, etc., to be properly maintained.

(g) Make all decisions related to the need for, preparation, updating of a reserve study and the expenditure of funds in any reserve account, which may be required or permitted by RCW ch. 64.38., as now or hereafter amended.

ARTICLE VI

DUTIES OF OFFICERS

SECTION 1. **President.** The president shall preside at all meetings of the directors and Members; shall sign as president all certificates and all other instruments in writing authorized by the Board of Directors; shall call special meetings of the directors or of the Members whenever deemed necessary; shall have and exercise under the direction of the Board of Directors, the general supervision for enforcing the Articles of Incorporation and Bylaws and any rules and regulations established by the Board of Directors and levying such penalties deemed necessary as provided for in the Bylaws.

SECTION 2. **Vice President.** The vice-president shall preside at all meetings in the absence of the President, and in case of the absence or disability of the president shall perform all other duties of the president which are incidental to his office.

SECTION 3. **Secretary.** The secretary shall issue all notices and shall attend and keep the minutes of all meetings; shall have charge of all Association books, records and papers; shall attest his/her signature on all written contracts of the Association, and shall perform all such other duties as are incidental to his office. In addition the secretary shall keep appropriate current records showing the Members of the Association, together with their addresses.

SECTION 4. **Treasurer.** The treasurer shall keep safely all monies and securities of the Association and disburse the same under the direction of the Board of Directors; shall cause to be deposited all funds of the Members, and at any time directed by the directors shall issue and present a full statement showing in detail the condition of the affairs of the Association.

SECTION 5. The executive secretary and/or assistant secretary and/or assistant treasurer, if appointed by the Board of Directors, shall perform such duties as may be designated by it.

SECTION 6. Any officer, other than the president, may occupy two offices concurrently if the Board of Directors so directs.

ARTICLE VII

BUDGET

Within thirty (30) 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 Members to consider ratification of the budget not less than fourteen (14), nor more than sixty (60) days, after mailing of the summary. Unless at that meeting the Members of a majority of the votes in the Association are allocated 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 Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board of Directors.

ARTICLE VIII

ASSESSMENTS

SECTION 1 – Annual and Special Assessments.

As more fully provided in the Declaration, each Member is obligated to pay to the Association an annual assessment of \$840. A monthly payment of \$70.00 is due the first of each month. The initial monthly assessment shall be \$70.00.

In addition to the annual assessments authorized by the Declaration, the Association may levy special assessments for capital improvements. Any such levy by the Association shall be for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, or replacement of a described capital improvement upon the common areas, provided that any such assessment shall have the assent of 66% of the votes of all Members.

Any assessments which are not paid when due shall be delinquent, and shall be subject to a late fee as described in the Declaration. If the assessment remains unpaid, the Association shall place a lien upon the property against which the assessment is made. The Association 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 reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the common areas or abandonment of his lot.

SECTION 2 - Fines for Protective Covenant Violations. The following procedure will be followed with respect to the imposition and collection of fines for any

Member in violation of the Declaration of Protective Covenants, Conditions and Restrictions (“the Declaration”), as described in Article I, Section 1 hereof:

(a) The Member will be notified in writing of the violation by an Association officer, or by a member of the Architectural Control Committee. The Member will be given a deadline by which to correct the violation.

(b) If the violation has not been corrected by expiration of the deadline, and no plan for correcting the violation acceptable to the Board of Directors has been submitted prior to expiration of the deadline, the Member will be given notice by certified mail, return receipt requested, that a continuing fine in the amount of FIVE DOLLARS AND NO/100 (\$5.00) per day shall be imposed unless the violation is cured within 30 days from the date of mailing of the certified letter, and that the accrued fine shall be a continuing lien against the Member’s lot. The certified letter shall also state that the Member has the opportunity, during the 30 day period, to contact the Association to request an opportunity to be heard before a member of the Board of Directors, or its appointed representative, should he/she feel that they are not in violation of the Covenants. The Board of Directors or its appointed representative will notify the Member of its decision within fourteen (14) days of the hearing date. No fine will accrue pending said decision.

(c) Said fine once imposed, shall continue to accrue on a daily basis until the violation is corrected to the satisfaction of the Board of Directors or its appointed representative. If the fine amount reaches \$1,000.00, and the Member refuses to pay the fine within 30 days after notification of the amount owing, the Association may bring an action to foreclose the lien against the Member’s property, and interest, costs and reasonable attorneys’ fees of any such action shall be added to the amount of such fine so imposed.

(d) The above described fine procedure shall not constitute a waiver of any other remedies available to the Association pursuant to the Conner Homes at Tremont, LLC Declaration of Protective Covenants, Conditions and Restrictions, and by law, with respect to enforcement of Protective Covenants and collection of assessments and fines.

ARTICLE IX

DISSOLUTION

In the event of dissolution of the Association, the property and assets after all of its debts have been paid shall be distributed as provided for in the Articles of Incorporation.

ARTICLE X

AMENDMENTS

SECTION 1 These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

SECTION 2 In the 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.

ARTICLE XI

FISCAL YEAR

The fiscal year of the Association shall coincide with the calendar year, except that the first fiscal year shall begin on the date of incorporation.

Adopted by resolution of the Association's Board of Directors on 1/10/13.

CERTIFICATION

I, the undersigned do hereby certify that I am the duly elected and acting Secretary of TREMONT COMMUNITY ORGANIZATION; the foregoing Bylaws constitute the original Bylaws of said Association as adopted at a meeting of the Directors hereof.

IN WITNESS WHEREOF, I have subscribed my name this 10 day of January, 2013.



Director