BYLAWS OF
MEADOWWOOD HOMEOWNERS ASSOCIATION
Amended: October 2021

ARTICLE I.
PLAN OF OWNERSHIP

Section 1. Name and Location. The name of this association ("Association") is MEADOWWOOD HOMEOWNERS ASSOCIATION. The principal office of the Association shall be in Spokane County, Washington.

Section 2. Application to Projects. The provisions of these Bylaws are applicable to those certain planned residential developments located in the MeadowWood area of Liberty Lake, County of Spokane, State of Washington, commonly known as 'The Meadows", "The Cottages", and "The Gardens" (referred to herein as the "Project" or the "Projects"). All present and future Owners, and their tenants, future tenants, employees, and any other person who might use the facilities of the Property in any manner, are subject to the regulations set forth in these Bylaws, in the Articles of Incorporation for the Association, and in the respective declarations of covenants, conditions and restrictions for the Projects described in the Articles (the "Declarations") recorded in the office of the Spokane County Recorder, and applicable to the Projects. The mere acquisition or rental of any Lot in the Projects, or the mere act of occupancy of any Lot will signify that these Bylaws are accepted, ratified, and will be observed.

Section 3. Meaning of Terms. Unless otherwise specifically provided herein, the definitions contained in the Declaration are incorporated in these Bylaws by reference.

ARTICLE II.
MEMBERSHIP: MEETINGS AND VOTING RIGHTS

Section 1. Three Classes of Membership. The Association shall have three (3) Classes of voting membership, being i) owners of Lots subject to the Gardens Declaration, ii) owners of Lots subject to the Cottages Declaration, and iii) owners of Lots subject to the Meadows Declaration. Each Lot, including Lots owned by the Declaration identified in the Declarations, shall have one (1) vote with respect to all matters upon which a vote is to be taken.

Section 2. Voting Requirements. Except where otherwise expressly provided in the Declaration, the Articles of Incorporation, or these Bylaws, any action by the Association which must have the approval of the Association membership before being undertaken, shall require the vote or written assent of the prescribed percentage (or a majority if no percentage is prescribed) of a quorum of the total voting power of the Association, without regard to Class of voting membership; provided, however, that any action that affects only one of the Projects or affects the different Projects in a substantially different manner, shall be approved by the separate vote of the Project or Projects so affected.

Section 3. Quorum. A quorum shall be established if there are present in person or by proxy at least thirty percent (30%) of the entire voting power of the Association; provided, however, that in the event a matter requires the vote of each Class of voting membership of the Association, at least thirty percent (30%) of the voting power of each Class shall be present in person or by proxy. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that at least ten percent (10%) of the voting power (and ten percent (10%) of each class if there is a vote on a matter requiring the approval by each Class) is present in person or by proxy.

Section 4. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. All proxies shall be valid only for the meeting for which the proxies are given (including any reconvened meeting in the event of an adjournment), unless provided otherwise in the proxy (but in no event for a period exceeding eleven (11) months from date of execution). Every proxy shall be revocable and shall automatically cease upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of such Member.

Section 5. Annual Meetings. Regular annual meetings of the Members of the Association shall be held in the month of November of each year, on such day and at such time and place as is determined by the Board of Directors.

Section 6. Special Meetings. A special meeting of Members of the Association may be called by the President or by any two (2) members of the Board. A special meeting shall be called by the Board upon receipt of a written request therefore signed by Members representing not less than ten percent (10%) of the total voting power of the Association.

Section 7. Notice and Location of Meetings. At the direction of the President, the Secretary, or the officers or persons calling a meeting, written notice of regular and special meetings shall be given to all Members in the manner specified for notices under these Bylaws. Such notice shall specify the place, day, and hour of the business to be undertaken, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except in the case of an emergency, at least ten (10) days' notice (but not more than fifty (50) days' notice) of any meeting shall be provided prior to the meeting. Meetings of the Association shall be held within the Projects or at a meeting place as close thereto as possible. Notice shall also be delivered to any institutional lender filing a written request for notice with the Association, and any such lender shall be permitted to designate a representative to attend all such meetings.

Section 8. Adjournment. In the absence of a quorum at a Members' meeting, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a reconvened meeting shall be ten percent (10%) of the total voting power of the Association (and ten percent (10%) of each class if there is a vote on a matter requiring the approval by each Class).

Section 9. Action Without Meeting. Any action which may be taken at a meeting of the Members may be taken without a meeting if consent, in writing, setting forth the action so taken, is signed by all the Members entitled to vote thereon. Such consent shall have the same force and effect as a unanimous vote.

Section 10. Rules at Meetings. Except as otherwise provided in these Bylaws, the Articles or the Declaration, all meetings of the Members shall be governed by Roberts Revised Rules of Order.

ARTICLE III.
BOARD OF DIRECTORS

Section 1. Number and Term of Directors. The Board shall consist of a minimum of five (5) and a maximum of nine (9) Directors, each of whom shall be a Lot Owner within the Association. The Directors shall serve terms of three (3) years.

Section 2. Election of Board of Directors. Directors shall be elected by vote of the members of the Association. Nominations for election to the Board of Directors may be made from the floor at the annual meeting of the Association. Additionally, the Board may appoint a Nominating Committee, which shall consist of at least three (3) members and an equal number of members from each Project. If the Board determines to appoint a Nominating Committee, the Committee shall be appointed at least sixty (60) days prior to each annual meeting of the Members, to serve until the close of such annual meeting, and shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Elections of Board members shall be by secret written ballot.

Section 3. Change in Number of Directors. The number of Directors may be changed by the Board by amendment of the Bylaws of the Association; provided, however, that there shall not be fewer than five (5) Directors; and provided further that best effort be made to have at least one (1) Director be separately elected by each Class of voting membership.

Section 4. Qualifications. To be qualified to be an elected board member, an individual must be a Lot Owner. The term “Lot Owner” shall include a director, trustee, officer, agent or employee appointed by a corporate Lot Owner as its voting representative, a member appointed by a Lot Owner which is a limited liability company or professional limited liability company as its voting representative, a partner, agent or employee appointed by a partnership Lot Owner as its voting representative, or a trustee or beneficiary appointed by a trust Lot Owner as its voting representative. Only one (1) owner or owner representative per Lot may serve on the Board of Directors at a time.

Section 5. Removal. An individual Director may be removed by majority vote of the Members upon the recommendation of a majority of the remaining Directors.

Section 6. Vacancies. Vacancies in the Board shall be filled by vote of the majority of the remaining Directors, and each person so elected shall be a Director for the remainder of the term of the Director he or she replaces, or until a successor is elected at a special meeting of the Members called for that purpose. A Director elected by Members from a single Project shall be replaced only by a Director from the same Project.

Section 7. Regular Meetings. Regular meetings of the Board shall be conducted at least quarterly at a time and place within the Property, as may be fixed by the Board. Notice of the time and place of regular meetings shall be given to each Director, personally or by mail or telegraph, at least three (3) days prior to the day named for the meeting, and shall be posted at a prominent place or places within the Projects. One of the regular meetings shall be the annual meeting, which shall be held within ten (10) days following the annual meeting of Members.

Section 8. Special Meetings. A special meeting of the Board may be called by written notice signed by the President of the Association or by any two (2) Directors other than the President. Notice shall be provided to all Directors and posted within the Project in the manner prescribed for notice of regular meetings, and shall include a description of the nature of any special business to be considered by the Board.

Section 9. Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to that Director. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place of the meeting, except where such attendance is for the limited and express purpose of objecting to the transaction of any business at the meeting because the meeting is not lawfully called or convened.

Section 10. Quorum. The presence in person of a majority of the Directors at any meeting of the Board shall constitute a quorum. The vote of a majority of the quorum actually present at any meeting shall constitute the vote of the Board unless expressly provided to the contrary in these Bylaws, or in any future amendment thereto.

Section 11. Action by Consent of Directors. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action.

Section 12. Adjournment: Executive Session. The Board may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 13. Board Meetings Open to Members. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

ARTICLE IV.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board shall have the powers and duties necessary for the administration of the affairs of the Association. Without limitation on the generality of the foregoing powers and duties, the Board shall be vested with, and responsible for, the following powers and duties:

Section 1. To select, appoint, supervise, and remove all officers, agents and employees of the Association; to prescribe such powers and duties for them as may be consistent with law, and with the Articles, the Declaration and these Bylaws; and to require from them security for faithful service when deemed advisable by the Board;

Section 2. To enforce the applicable provisions of the Declaration, Articles, these Bylaws and other instruments relating to the ownership, management and control of the Property;

Section 3. To adopt and publish rules and regulations governing the use of any Common Area and facilities, and the personal conduct of the Members and their tenants, guests and invitees thereon, and to establish procedures and penalties for the infraction thereof, all of which shall be disseminated to the Membership following enactment by the Board;

Section 4. To pay all taxes and assessments which are, or could become, a lien on any Common Area or a portion thereof;

Section 5. To contract for casualty, liability and other insurance on behalf of the Association as required or permitted in the Declaration;

Section 6. To cause any Common Area to be maintained and to contract for goods and/or services for any Common Area or for the Association;

Section 7. To delegate its powers to committees, officers or employees of the Association, or to a management company pursuant to a written contract, as expressly authorized by the Articles, Declaration and these Bylaws;

Section 8. To keep complete and accurate books and records of the receipts and expenditures of the Association, specifying and itemizing the maintenance and repair expenses incurred, and to prepare budgets and financial statements for the Association as required in these Bylaws in accordance with good accounting procedures; to provide for independent audits as required by law and these Bylaws;

Section 9. To initiate and execute disciplinary proceedings, and levy reasonable fines, against Members of the Association for violations of the provisions of the Articles, Declaration, these Bylaws and such rules as may be promulgated by the Board, in accordance with procedures set forth in these Bylaws;

Section 10. To borrow money and incur indebtedness for purposes of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor, subject to the approval requirements of the Articles, these Bylaws, or the law;

Section 11. To fix and collect regular and special Assessments according to the Declaration and these Bylaws, and, if deemed appropriate in the Board's discretion, to record a Notice of Assessment Lien and foreclose the lien against any Lot for which an Assessment is not paid within thirty (30) days after the due date, or bring an action at law against the Owner personally obligated to pay such Assessment;

Section 12. To prepare and file annual tax returns with the federal government and to make such elections as may be necessary to reduce or eliminate the tax liability of the Association. Without limiting the generality of the foregoing, the Board may, on behalf of the Association, elect to be taxed under Section 528 of the Internal Revenue Code or any successor or similar statute conferring income tax benefits on homeowners associations.

Section 13. To, by resolution, separate and remove a subdivision from the Association provided that each owner in the subdivision to be removed, consents to removal and signs the document or Amendment to the Declaration that separates and removes the subdivision from the Association.

ARTICLE V.
OFFICERS

Section 1. Enumeration and Term. The officers of this Association shall be a President, Vice-President, Secretary, and Treasurer, and such other officers as the Board may, from time to time, by resolution create. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Resignation and Removal. Any officer may be removed from office by a majority of the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective,

Section 4. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5. Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 6. Duties. The duties of the officers are as follows:

a. President. The President shall preside at all meetings of the Association and the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks (unless the authority to sign checks in the ordinary course of Association business has been delegated to a management company) and promissory notes.

b. Vice-president. The Vice-president shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

c. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, serve notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

d. Treasurer. The Treasurer shall receive and deposit, in appropriate bank accounts, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors pursuant to approval of vouchers, when appropriate; shall co-sign all checks and promissory notes of the Association; and shall keep proper books of account and prepare or have prepared financial statements and tax returns as required in these Bylaws. The duty of the Treasurer to receive and deposit funds and to sign checks in the ordinary course of Association business may be delegated to a management company as provided in these Bylaws.

ARTICLE VI.

DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS

The Association shall have no power to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of his individually owned Lot on account of a failure by the Owner to comply with provisions of the Declaration, Articles, these Bylaws, or of duly enacted rules of operation for any Common Area and facilities, except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the Owner to pay Assessments levied by the Association. Notwithstanding the foregoing, the Board shall have the power to impose monetary penalties, temporary suspensions of an Owner's rights as a Member of the Association or other appropriate discipline for failure to comply with the Declaration, Articles, these Bylaws or duly enacted rules; provided that the accused shall be given notice and the opportunity to be heard by the Board with respect to the alleged violations before a decision to impose discipline is reached. In the case in which monetary penalties are to be imposed, such penalties shall include actual attorney's fees and all costs in connection with the collection of such penalties.

ARTICLE VII.

BUDGETS. FINANCIAL STATEMENTS. BOOKS AND RECORDS

Section 1. Budgets and Financial Statements. Financial statements and pro forma operating budgets for the Association shall be regularly prepared (at least annually) and copies shall be distributed to each Member of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall be as designated by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 3. Inspection of Association's Books and Records. The membership register, books of account, vouchers authorizing payments, minutes of meetings of the Members, of the Board, and of committees of the Board of the Association, and copies of the current Declaration, Articles, Bylaws and rules and regulations for the Property shall be made available for inspection and copying by any Member of the Association, by any holder, insurer, or guarantor of a first mortgage on any Lot, or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Association or at such other place within or near the Property as the Board shall prescribe. Such inspection may take place on weekdays during normal business hours, following at least forty-eight (48) hours' written notice to the Board by the Member desiring to make the inspection. Any Member desiring copies of any document shall pay the reasonable cost of reproduction. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

Section 4. Statement of Account. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Lot Owner shall be famished a statement of his account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner.

ARTICLE VIII.
AMENDMENT OF BYLAWS

These Bylaws may be amended at any time and in any manner by resolution approved by a majority of the Board of Directors, subject to repeal or change by action of a majority of the voting power of the Members, provided any such amendment shall not be inconsistent with the Articles, the Declaration, or the law.

ARTICLE IX.
MISCELLANEOUS PROVISIONS

Section 1. Regulations. All Owners, tenants, and their employees, and any other person that might use the facilities of the Property in any manner, are subject to the regulations set forth in these Bylaws and in the Declaration and to all reasonable rules enacted pursuant to the Declaration. Acquisition, rental, or occupancy of any Lot shall constitute acceptance and ratification of the provisions of all such rules and regulations.

Section 2. Compensation and Indemnity of Officers and Directors. No Director or officer shall receive any loan from the Association, or shall receive any compensation for services rendered for or on behalf of the Association, except reimbursement for actual sums spent on behalf of the Association, to the extent authorized by the Board, To the maximum extent permitted by the Washington Nonprofit Corporation Act, each Director and officer shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him by judgment or settlement in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, except in cases of fraud, gross negligence or bad faith of the Director or officer in the performance of his duties.

Section 3. Committees. The Board may appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose; provided, however, that the power and authority of any such committee shall be limited according to the Washington Nonprofit Corporation Act.

Section 4. Notices. Any notice permitted or required to be given by the Property Documents may be delivered either personally or by mail or as otherwise specifically provided in the Property Documents. If delivery is by mail, it shall be deemed to have been given seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, return receipt requested, addressed to each person at the current address given by such person to the Secretary of the Association or addressed to the Lot of such person if no address has been given to the Secretary; provided, however that notice of regular or special meetings of Members of the Board may be mailed without request for a return receipt.

Section 5. Collection Policy. Homeowner Assessments shall be payable by the following dates:

Main Association

1st payment due on or before Jan. 31st

2nd payment due on or before July 31st

Projects (Grayhawk, Garden Ridge, Rocky Hill Townhomes and Cottage Homes)

1st payment due on or before Jan. 31st

2nd payment due on or before April 30th

3rd payment due on or before July 31st

4th payment due on or before Oct. 30th

Payments not received by the Association Manager on or before the above dates will be considered delinquent and subject to late fees.

- Unpaid assessments shall bear interest at the rate of twelve percent (12%) per annum until paid.
- A $25 fee ($10.00 late fee + $15.00 Administration fee) will be assessed each month or fraction thereof on any unpaid balance from the due date until the assessment and/or fine and all late charges are paid.
- Returned checks or payments will be subject to a $40 additional fee.

Each unpaid assessment and/or fine shall constitute a lien on the respective real property prior and superior to all other liens except: 1)all taxes, bonds, assessment and other levies which, by law, would be superior thereto; and 2) the lien or charges of any mortgage of record made in good faith and for value. Such lien, when delinquent, may be enforced by foreclosure and sale by the Association, its attorney, or any other person authorized by this Declaration or by law to make the sale, after failure of the Owner to pay such Assessments, and/or fine in accordance with the provisions of applicable law to the exercise of power of sale in deed of trust, or by judicial foreclosures as a mortgage, or in any other manner permitted by law.

- You will receive a courtesy letter if assessments and/or fine are 30 days or more past due;
- You will receive Notice of Lien if assessments and/or fine are 60 days or more past due including a $50 fee
- A lien will be recorded if assessments and/or fine are over $500 along with a fee of $250, plus all costs associated in obtaining and satisfying a lien;
- Foreclosure, litigation and/or collection may be initiated if the outstanding balance exceeds $2,500. If such action becomes necessary, all fees and costs incurred will be sought;
- Any monies paid which do not cover all past due assessments plus late charges and other penalties will be applied in the following priority:
  (1) Assessments; (2) Late Fees;
  (3) Misc fines and penalties; (4) Attorney fees/costs; (5) Interest

The Association acting on behalf of the property owner shall have the power to bid for any property at the foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. The foreclosing party shall have the right to reduce or eliminate any redemption rights of the defaulting owner as allowed by law. Suit to recover a money judgment for unpaid assessment, rents and/or attorney fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties including actual attorney fees and costs and may temporarily suspend the Association membership rights of any owner who is in default in payment of any assessment, after notice and hearing according to the Bylaws.

Section 6. Home sale; upon the sale of any lot within the MeadowWood neighborhood, the new property owner will be directed to an electronic copy of all CC&R documents, and the Rules and Regulations via the HOA website. A transfer fee of $100 will be assessed upon the sale of any home in MeadowWood. It is the responsibility of the Owner to advise the Association Manager of any address changes &/or tenant information for billing purposes. The Owner will be responsible for all late fees and interest due to non-payment or lack of notification to Association of change of address. The Association can be notified by email via the 'Contact' button on the website.

Section 7. Covenant Violation Policy. If you are in violation of any covenant (CC&Rs, By-Laws or Rules & Regulations) you will receive a courtesy notice of violation in the mail. If the violation is corrected within the time specified in the courtesy notice, the issue will be considered resolved.

If you fail to correct the violation within the time allowed, you will receive a second notice of violation letter (second courtesy letter) with a stated time period to correct the violation. If the issue is still not corrected within the stated time period you will receive an initial notice of fine via Certified Mail, Return Receipt. This letter will have a fine amount stated. Repeat violations will not receive courtesy letters prior to the fine. The schedule of fines is as follows:

- First violation $ 100.00
- Second similar violation $ 200.00
- Third similar violation $ 300.00
- Fourth and subsequent similar violation $ 300.00

If you dispute the fine, you will have seven (7) days in which to request a hearing. If you fail to do so, your right to dispute the fine will be deemed waived and the fine will be final and the next level of fine will be imposed along with a time period to correct the violation. Additional fines shall be levied until the violation is corrected. If you request a hearing, the violation and fine will be determined at a hearing of Board representatives, and their decision shall be final. Unpaid fines will be sent to an attorney for collection. Said collection will also result in attorney fees and costs being charged to you. Hearings are available on the second Wednesday of each month. The Board must receive a "Request for Hearing" by the Friday preceding the second Wednesday of the month.

It is not the intent of the Board to become an enforcement agency submitting fines for every violation. However, it is the intent of the Board to see that the CC&R's, By-Laws and Rules & Regulations are followed in a reasonable manner.

ADOPTION OF BYLAWS

The undersigned, being the duly elected and acting President of MEADOWWOOD HOMEOWNERS ASSOCIATION, does hereby certify:

That the within and foregoing Bylaws were adopted as the Bylaws of said Association by the Association's Board of Directors on

_____, and that the same do constitute the Bylaws of said Association.

EXECUTED by the undersigned on _____.

_____, President

Attested to: _____