

ARTICLES OF INCORPORATION

OF

LIVINGSTON HOMEOWNERS' ASSOCIATION

The undersigned natural person, being over the age of eighteen years, acting as the incorporator of the corporation under the provisions of the Washington Nonprofit Corporation Act, RCW 24.03, hereby adopts the following Articles of Incorporation for such corporation:

ARTICLE I

NAME

The name of the corporation is LIVINGSTON HOMEOWNERS' ASSOCIATION, hereinafter called the "Association".

ARTICLE II

DURATION

The term of existence of this Association shall be perpetual.

ARTICLE III

PURPOSES AND POWERS OF THIS ASSOCIATION

This Association does not contemplate pecuniary gain or profit to its members. It is organized for nonprofit purposes, and no part of the income of the Association shall be distributed to its members, directors, or officers.

The specific purposes for which it is formed are to provide for maintenance, preservation, and architectural control of the residential lots and residential units, and the development and maintenance of the common areas within that certain tract of property, hereinafter referred to as the "property", described on Exhibit A attached hereto and incorporated by this reference, 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.

Without limitation, the Association may:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Protective Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property, and recorded in the office of the County Auditor of King County, Washington under No. 880525008 as the same may be amended from time to time as therein provided, the Declaration being incorporated herein as if fully set forth;

(b) 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 association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, or transfer all or any part of the common area, if any, 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 approved as set forth in the Declaration;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common areas;

(g) join, participate, or otherwise become a member in any organization which the Board of Directors deems to be in the interest of the Association;

(h) exercise any and all powers, rights and privileges which a corporation organized under the Washington Nonprofit Corporation Act may now or hereafter have or exercise.

ARTICLE IV

MEMBERSHIP

Every person or entity which is an Owner of any Lot which is subject to assessment by the Association shall be a member of the Association.

ARTICLE V

VOTING RIGHTS

Owners shall be entitled to one vote for each lot owned. When more than one person or entity owns an interest in any lot, 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 nor shall any vote be divided. The voting rights of any Owner may be suspended as provided in the Declaration, or in the Articles or Bylaws of the Association. The right to vote may not be severed or separated from any lot, and any sale, transfer or conveyance of a property interest to a new owner or owners shall operate and transfer the appurtenant vote without the requirement of any express reference thereto.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors. The term of office, manner of election, time and place of meeting and powers and duties of directors shall be as set forth in the Bylaws.

The initial Board of Directors shall consist of three (3) directors. Their names and addresses are:

William E. Buchan
c/o William E. Buchan, Inc.
11555 Northup Way
Bellevue, WA 98004

Karen A. Buchan
c/o William E. Buchan, Inc.
11555 Northup Way
Bellevue, WA 98004

Carl Buchan
c/o William E. Buchan, Inc.
11555 Northup Way
Bellevue, WA 98004

The above Directors shall serve until the first annual meeting of members and until their successors are elected and qualified. Any change in the number of Directors hereafter shall be as set forth in the Bylaws of the Association.

ARTICLE VII

DISSOLUTION

The Association may be dissolved upon the affirmative vote of not less than two-thirds (2/3) of the members entitled to vote. Upon dissolution of the Association, other than incident to a merger or consolidation, the net assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE VIII

INDEMNIFICATION

The Association shall have the power to provide indemnification, including advances of expenses, to any person made a party to any proceeding, including a proceeding by or in the right of the Association, by reason of the fact that such person is or was a Director or officer of this Association, against judgments, penalties, fines, settlements, and reasonable expenses, including attorneys' fees actually incurred by such person in connection with such proceeding, to the maximum extent permitted by and in accordance with the Washington Nonprofit Corporation Act; provided, that the Association shall not indemnify such person if the person shall have been adjudged to be liable to the Association on the basis that personal benefit was improperly received by the person seeking indemnification, unless a court of competent jurisdiction shall determine that it would be unfair, under the circumstances, to deny indemnification to such person.

ARTICLE IX

LIMITATION OF DIRECTORS' LIABILITY

A Director shall have no liability to the Corporation or its members for monetary damages for conduct as a Director, except for acts or omissions that involve intentional misconduct by the Director, or a knowing violation of law by the Director, or for any transaction from which the Director will personally receive a benefit in money, property or services to which the Director is not legally entitled. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a Director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such Director occurring prior to such repeal or modification.

ARTICLE X

AMENDMENTS

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles in the manner now or hereafter prescribed by law.

ARTICLE XI

REGISTERED OFFICE AND AGENT

The registered agent and office of the corporation shall be:

George S. Holzapfel
6000 Westland Building
100 South King Street
Seattle, Washington 98104-2869

ARTICLE XII

AMENDMENTS TO BYLAWS

Authority to make, alter, amend or repeal Bylaws is vested in the Board of Directors and may be exercised at any regular or special meeting of the Board of Directors. All rights of members of the Corporation are granted subject to this reservation.

ARTICLE XIII

INCORPORATOR

The name and address of the incorporator of the Association is:

George S. Holzappel
6000 Westland Building
100 South King Street
Seattle, WA 98104-2869

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Washington, the undersigned, being the incorporator of this Association, has executed these Articles of Incorporation this 15th day of December, 1988.


George S. Holzappel

LIVINGSTON

EXHIBIT A

PARCEL A:

The north half of the northwest quarter of the southwest quarter of Section 14, Township 24 north, Range 6 east, W.M., in King County, Washington. *

PARCEL B:

Tract G, Klahanie Division 3, according to the Plat recorded in Volume 134 of Plats, Pages 95 thru 102, inclusive, in King County, Washington. *

PARCEL C:

That portion of the north half of the northeast quarter of the southwest quarter of Section 14, Township 24 north, Range 6 east, W.M., King County, Washington described as follows:

BEGINNING at the northwest corner of said subdivision; Thence S 2 06'43" W along the west line thereof a distance of 665.88 feet to the southwest corner thereof; Thence S 88 29'50" E along the south line of said subdivision a distance of 264.00 feet; Thence N 21 51'31" W a distance of 366.42 feet; Thence N 7 57'47" W a distance of 333.96 feet to the north line of said subdivision; Thence N 88 26'31" W along said north line a distance of 56.70 feet to the point of Beginning. NOTE: see deed under Rec. No. 8707301703 (L.L.A. No. 8609020).