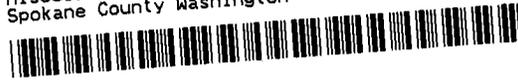


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 Recording Fee \$70.00 Page 1 of 9
 Miscellaneous HONOROF HOMEOWNERS ASSOC
 Spokane County Washington



WHEN RECORDED RETURN TO:
 Honorof Homeowners Association
 C/O Ricke Lally
 8608 East Honorof Lane
 Spokane, WA 99223

BYLAWS OF THE HONOROF LANE HOMEOWNERS ASSOCIATION

19-24-44 SE, 19-24-44 NE, 20-24-44 NW

Grantor: Honorof Lane Homeowners Association

Grantee: Honorof Lane Homeowners Association

Parcel No. 44191.9063, 44191.9064, 44191.9066, 44191.9067, 44191.9068, 44191.9069, 44191.9070, 44194.0310, 44194.0311, 44194.0314, 44194.0315, 44202.9038, 44202.9040, 44202.9041, 44202.9043, 44202.9044, 44202.9045, 44202.9046, 44202.9047 and any parcels not listed but governed under CC&R filing # 4908058

ARTICLE I

NAME

This organization shall be known as HONOROF LANE HOMEOWNERS ASSOCIATION (Hereafter referred to as the "Association"), a non-profit association organized and existing under the laws of the State of Washington.

ARTICLE II

OBJECTIVES

The objectives of this Association shall be:

Section 1: To create through joint efforts of all owners of parcels residing in the combined area (Hereafter referred to as the "Area") served by Honorof and Valenov (aka "Valanov") lanes, Spokane County, Washington, and listed as being governed under **CC&R 4908058**, an exemplary community which will combine change with tradition and beauty with

functional advancement, while preserving the natural serenity of the Palouse countryside in which it is situated.

Section 2: To achieve a high quality of life for those residing in the area through joint effort.

Section 3: To foster and maintain, through joint effort, the beautification of individual property; the safety and security of homeowners, children, and property; effective traffic safety measures to protect pedestrians, vehicle users of public roadways, and personal property adjacent to such roadways.

Section 4: To foster effective measures to improve common services including road maintenance.

Section 5: To foster and maintain cooperative efforts with neighboring homeowner associations.

ARTICLE III

GOVERNANCE & APPLICATION

The Association and its members are governed by the following:

Section 1: All Covenants, Conditions, and Restrictions (Hereafter referred to as "CC&Rs"), Easements, and Agreements applicable to the Area and filed with the Spokane County Auditors Office, Spokane, WA.

Section 2: The Revised Code of Washington (RCW) Chapter 64.38 "Homeowners Associations"

Section 3: These Bylaws apply to all parcel owners and common areas within the Area. Such common areas are defined as any area within the Area not privately owned.

ARTICLE IV

MEMBERSHIP

Section 1: All owners whose property falls under the governance of CC&R 4908058 are deemed members of the Association.

Section 2: All members of the Association are subject to annual and special dues as approved by the Association members.

Section 3: Only those members whose dues are paid for the current fiscal year are eligible to vote.

Section 4: Unless specified, voting will be by simple majority to include the use of proxies. The Secretary/Treasurer shall call for proxies at the commencement of each meeting.

Section 5: Each member will have the right to ONE vote per parcel owned.

ARTICLE V

LEADERSHIP OF THE ASSOCIATION

The Association leadership shall consist of two officers (Chairman and a Secretary/Treasurer), and three at-large delegates. These will comprise the "Board of Directors" (hereafter referred to as the "Board").

ARTICLE VI

ORGANIZATION OF THE ASSOCIATION

Section 1: The Association shall consist of a general membership and of that, a Board of Directors as defined in Article V. The purpose of the Board is to provide elected, representative leadership for the association members that can make pertinent and necessary decisions with regard to the operations of the association without requiring a general membership meeting. Such decisions could be, but are not limited to,

- Road Grading

- Drainage improvement and ditch cleaning
- Weed spraying in the public areas
- Initiating snow removal
- Contact with developer and his representatives.

The board is not authorized to spend or authorize expenditures that exceed, at that time, the balance of Association accounts.

Section 2: The Board shall have authority to utilize budgeted Association funds for maintenance of the common areas and capital improvement. Such expenditures will be recorded by the Secretary/Treasurer and used for future budgeting.

Section 3: The Board shall have authority to spend a maximum of \$500 for capital expenditures per year, above the funding allocated for annual repair and maintenance (hereafter referred to as "R&M"). Funding above the \$500 limit must be voted on by the Association membership.

ARTICLE VII

NOMINATION AND ELECTION OF OFFICERS AND DELEGATES OF THE ASSOCIATION

Section 1: The term of office shall be for one calendar year from the date of the meeting elected for the Chairman and Secretary/Treasurer. The delegate office terms will be for three calendar years, staggered such that one delegate is elected yearly (for the first election, delegate one will serve one year, delegate two will serve two years, and delegate three, three years before re-election). Elections will occur every year at a the annual meeting for all Board positions.

Section 2: They shall be elected by the majority of the voting general membership.

Section 3: Vacancies of any office shall be filled through appointment by majority vote of the remaining Board members, and the appointee will hold office for the remainder of the unexpired term.

Section 4: Only one member of a household may serve on the Board for any given term.

Section 5: Officers and delegates may be recalled by 51% of Association members

Section 6: Officers and delegates may serve consecutive terms.

ARTICLE VIII

DUTIES OF OFFICERS OF THE ASSOCIATION

Section 1: The Officers shall perform the duties prescribed in this article and such others as parliamentary authority adopted by the Association and those granted under article III.

Section 2: The Chairman

- shall be the chief executive officer and the official spokesperson of the Association
- shall have general supervision of the affairs of the Association.
- shall preside at all meetings of the Board and at all meetings of the Association.
- shall have the power to appoint committees to investigate any matters of common interest to members of the Association and shall be ex-officio a member of all such committees.
- shall see that orders and resolutions of the Board are carried out.
- shall have signing authority for all financial dispersals
- Shall review and approve tax document filings such as IRS Form 1120-H

Section 3: The Secretary/Treasurer

- shall be, ex-officio, Secretary/Treasurer of the board and the Association.
- shall record the votes and keep the minutes of the proceedings of the Board in a book to be kept for the purpose;
- shall record the votes and keep the minutes of the proceedings of the Association in a book to be kept for the purpose
- shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members.
- shall publish meeting minutes for Board and Association meetings and distribute to the membership.
- shall keep proper books of account.
- shall produce for each meeting a "Treasurers Report" detailing the amount of monies on account and all monies received and dispersed since the previous report.
- shall have charge of the receipt of funds of the Association; shall deposit in appropriate bank accounts to the credit of the Association all monies of the Association and shall disburse, such funds as directed by resolution of the Board or Association, as appropriate.
- shall have signing authority for all financial dispersals
- Shall prepare all tax recording documents including IRS Form 1120-H

(In the absence of the Chairman, the Secretary/Treasurer shall preside over the Association business and its meetings. They shall attend to such correspondence as the Board or the Association may direct).

Section 4: At-large delegates

- shall have signing authority for all financial dispersals
- Shall participate as a member of the Board as outlined in article VI.

Section 5: Open Positions

- In the absence or inability of the *Chairman* to perform the duties, the Secretary/Treasurer shall assume duties until a meeting of the Board convenes and a new Chairman is appointed per article VII, section 3.
- In the absence or inability of the Secretary/Treasurer to perform the duties, an At-Large delegate appointed by the Chairman shall assume duties until a meeting of the Board convenes and a new Secretary/Treasurer is appointed per article VII, section 3.
- In the absence or inability of an At-Large member to perform the duties, the Chairman shall canvas the general membership for a temporary replacement to assume duties until a meeting of the Board convenes and a new At-Large delegate is appointed per article VII, section 3.

Section 6: Financial Dispersals

- All bank checks drawn on the Association bank account shall require two signatures.
- The required bank check signatures shall consist of one of the following combinations.
 - Two officers
 - One officer and one delegate

Section 7: Financial Audits

- An audit of Association finances shall be called bi-annually by the Chairman and shall be performed by the Secretary/Treasurer and two Association members appointed by the Board.

ARTICLE IX

MEETINGS

Section 1: ASSOCIATION meetings require 41% of voting members present to transact business (establishes quorum).

Section 2: BOARD OF DIRECTORS meetings will require a 60% attendance of board members to transact business.

Section 3: ASSOCIATION regular meetings shall be for the purpose of receiving reports from the officers and standing committees; for the receiving of reports from ad hoc

committees; for establishing programs and budgets in furtherance of the objectives of the Association; and for any other business that may arise. The regular annual meetings of the Association will be held annually.

Section 4: ASSOCIATION special meetings may be called by the Board upon written request of one-fourth or more of the voting members of the Association. Only that business specified in the call may be transacted. The Board shall have the power to call special meetings of the Association whenever it seems necessary.

Section 5: BOARD OF DIRECTORS: The Chairman shall call a special meeting of the Board of Directors whenever the need arises. All business to be considered at a special Board meeting shall be stated in the call. Regular meetings of the Board shall be held as needed.

Section 6: MEETING NOTICE: Notice for meetings of the Board and Association shall be given at least one month prior to the meeting. Such notice shall occur using any method, least expensive preferred, allowed per WA State law.

ARTICLE X

FEEs, DUES, AND BUDGETING

Section 1: Fiscal Year of the Association shall be 1 January to 31 December.

Section 2: Repair and maintenance budget will be based on the annual R&M deemed necessary for the common areas of the Association and will be computed per parcel owned and served by said common area, payable to the Treasurer by Jan 1st of the new fiscal year.

Section 3: Capital Improvements will require special dues as the occasion merits with the approval of the Association. These special dues could include non-R&M items such as graveling of the roads, installation of reflectors on driveway entrances, improved mailbox/newspaper boxes, creating a landscaped neighborhood entrance etc.

Section 4: Annual Budget is comprised of the R&M budget and the Capital Improvements

Section 5: Excess Funds If monies from the R&M budget are deemed excess by the Board they may be used for capital improvements to the common areas (see article VI, section 3), retained as a fund reserve, or held over for the next budget year's use.

Section 6: Non-payment of dues shall be addressed by the Board and pursuant to the CC&Rs. Accounts Receivable policies of "General Accepted Accounting Practices" shall be utilized (30, 60, 90 day due dates). For the 60 and 90 day notices, mailing requiring

recipient signature shall be used. Refusal to sign for such correspondence shall constitute reception and acknowledgement of such notice. The privacy of members delinquent in payment shall be observed.

Section 7: Annual Budget Creation An annual budget for the coming year shall be created by the Board for presentation at the fall meeting. At this time it will be accepted or altered and subsequently accepted via vote of the Association membership. Such budget will become effective January 1 of the year budgeted for and be in effect until December 31st of the following year.

ARTICLE XI

AMENDMENTS

Section 1: These By-Laws may be amended at any special meeting of the Association called for that purpose or at the regular meetings of the Association. Notice of change shall be made available to the members one week in advance of the meeting.

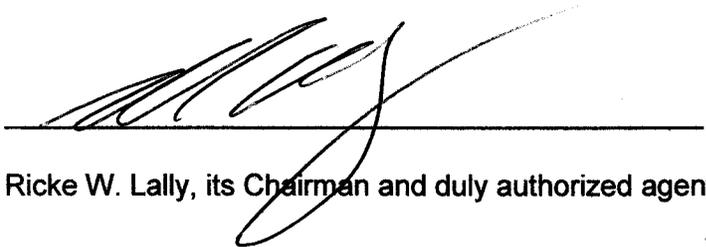
Section 2: Unless otherwise provided prior to its adoption or in the motion to adopt, an amendment shall become effective upon adjournment of the meeting at which it is adopted.

Unofficial Document

Adopted this 18th day of October, 2010
ATTEST:

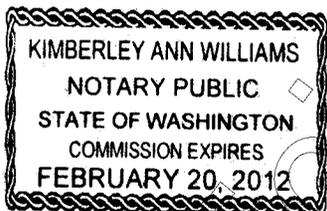
HONOROF HOMEOWNERS ASSOCIATION

I, Ricke W. Lally, the duly elected Chairman of Honorof Homeowners Association, do hereby certify that the within and foregoing Bylaws are the original Bylaws duly adopted by the Association at its meeting held on the 18th day of October, 2010 .



Ricke W. Lally, its Chairman and duly authorized agent

SUBSCRIBED AND SWORN TO before me this 27th day of October, 2010



Kimberley Williams
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane County
My commission expires 02/20/2012

Unofficial Document