

**BYLAWS
MISSION HILLS HOMEOWNERS' ASSOCIATION**

ARTICLE I

NAME AND LOCATION

The name of the corporation is Mission Hills Homeowners' Association, hereinafter referred to as the "Association". The physical location of the corporation shall be 14609 Pacific Avenue South, Tacoma, Washington 98444-4650, and the mailing address will be 14609 Pacific Avenue South, Tacoma, Washington 98444-4650. The location of meetings of the members and directors will be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the Mission Hills Homeowners' Association, a Washington nonprofit corporation, its successors and assigns.

Section 2. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any lot or lots in Mission Hills, including contract purchasers, but excluding those having such interests merely as security for the performance of an obligation. An Owner shall include any person who holds record title to a parcel in joint ownership with any other person or holds an undivided fee interest in any parcel.

Section 3. "Common area" shall mean those parcels of real property and improvements owned or leased by the Association, or owned by all of the lot owners, that are intended for the common use and enjoyment of the Owners as further described in the Declaration

Section 4. "Parcel" shall mean any one lot or lots of Mission Hills, excluding common areas and those areas set aside for non-residential use.

Section 5. "Member" shall mean any person holding a membership in the Mission Hills Homeowners' Association pursuant to the Declaration.

Section 6. "Declaration" shall mean and refer to the Declaration of Protective Covenants, Easements, Conditions and Restrictions for Mission Hills, Phases I and II, as recorded with the Pierce County Auditor under Recording Nos. 200601100206 and 200703090430.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held at least once a year. The first meeting shall be held within one year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held the same month of each year thereafter.

Section 2. Special Meetings. The Association shall also call special meetings upon presentation of a petition requesting the same signed by the owners of 20% of the lots.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by either personal delivery, email, or regular mail, postage prepaid, at least two weeks before each meeting to each member entitled to vote thereat, to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 34% of the votes, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these bylaws, and any amendments thereto. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE IV

BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of up to three (3) directors.

Section 2. Term of Office. Except as set forth in the Declaration for the initial term, Directors shall be elected for a term of two (2) years, with alternating numbers of up to one (1) elected after the first year and two (2) elected after the second year to provide for continuity of management of the Association.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association at an annual or special meeting called for that purpose. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

ELECTION OF DIRECTORS

Section 1. Election. Election to the Board of Directors after the initial term shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by a resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by one of the directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. 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 the infraction thereof;
- (b) Suspend the voting rights and right to use of the common areas of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association;
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these bylaws, the Articles of Incorporation, 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 from three (3) consecutive regular meetings of the Board of Directors;

- (e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. The Board of Directors shall have the power and duty

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 one-fourth 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 and any amendments thereto, to:
 1. Make annual and special assessments necessary for the construction, upkeep, maintenance and improvement of and on the common areas.
 2. Fix the amount of the annual assessment against each owner at least thirty (30) days in advance of each annual assessment period;
 3. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 4. Secure any annual and special unpaid assessments with a lien that continues upon the property against which the assessment is made.
 5. Foreclose the lien as provided in the Declaration against any property for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay the same.
- (d) Issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the

issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) Cause all officers or employees having financial responsibilities to be bonded, as it may be deemed appropriate;
- (g) Maintain the common areas, roadways, and light system.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President, Secretary, and Treasurer, who shall at all times be members of the Board of Directors.

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. Terms. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign at any time 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 5. 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 6. Multiple Offices. No person shall simultaneously hold more than one of the offices, except in the case of an insufficient number of members of the Board to fill all of the offices.

Section 7. Duties. The duties of the officers are as follows:

PRESIDENT

(a) The president shall preside at all meetings of 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 and promissory notes; and perform such other duties as required by the Board.

SECRETARY

(b) 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 perform such other duties as required by the Board.

TREASURER

(c) Receive and deposit in appropriate bank accounts all moneys of the Association; disburse such funds as directed by resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members; and perform such other duties as required by the Board.

ARTICLE IX

COMMITTEES

The Board shall appoint members to serve on the Architectural Control Committee (ACC), or any other committees as deemed appropriate in carrying out its purposes. The Architectural Control Committee shall consist of members appointed as set forth in the Declaration

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member. Copies may be purchased at reasonable cost.

ARTICLE XI

AMENDMENTS

Section 1. These Bylaws may be amended at any time by the initial Board of Directors, or thereafter at a regular or special meeting of the members called for that purpose, by a vote of a majority of a quorum of members present in person or by proxy.

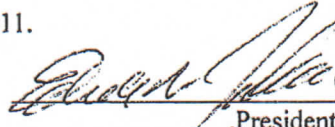
Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

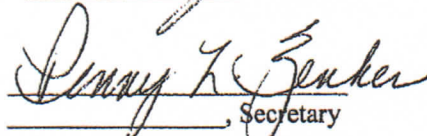
ARTICLE XII

MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year.

Adopted this 2 day of Dec, 2011.


_____, President


_____, Secretary