

UNITED STATES OF AMERICA

The State of



Washington

Secretary of State

I, **SAM REED**, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

**CERTIFICATE OF INCORPORATION**

to

**THE VILLAGES OF GARRISON CREEK MASTER PROPERTY  
MANAGEMENT ASSOCIATION**

A Washington Non-Profit Corporation. Articles of Incorporation were filed for record in this office on the date indicated below

UBI Number: 602 287 510

Date: April 14, 2003



Given under my hand and  
the Seal of the State of  
Washington at Olympia,  
the State Capital

Sam Reed  
Secretary of State

602 287 510

**ARTICLES OF INCORPORATION  
OF  
THE VILLAGES OF GARRISON CREEK  
MASTER PROPERTY MANAGEMENT ASSOCIATION**

FILED  
SECRETARY OF STATE  
APR 14 2003  
STATE OF WASHINGTON

KNOW ALL MEN BY THESE PRESENTS: That the incorporator hereinafter designated, for the purpose of forming a corporation under the Washington Non-profit Corporation Act, hereby certifies and adopts in duplicate the following Articles of Incorporation.

ARTICLE I.

Name

The name of this corporation shall be THE VILLAGES OF GARRISON CREEK MASTER PROPERTY MANAGEMENT ASSOCIATION.

ARTICLE II.

Duration

The period of duration of this corporation shall be perpetual.

ARTICLE III.

Non-Profit

This corporation is not organized for profit. There shall be no capital stock, and membership shall be determined pursuant to the provisions of these Articles. Private property of the Directors or Members shall not be liable for the debts of the corporation.

ARTICLE IV.

Purposes and Powers

The purposes for which this corporation is formed are as follows:

(a) To manage the affairs of The Villages of Garrison Creek ("The Villages"), which consist of approximately 95 acres of land which has or will be developed in phases, all of which property is made subject to the Restated Declaration of Covenants, Conditions, and Restrictions of The Villages of Garrison Creek filed in the Walla Walla County Auditor's office under Auditor's Recording No. 2002-10482, together with any amendments thereto.

(b) To adopt and enforce rules and regulations covering the use of common areas part of The Villages.

(c) To make and collect assessments against Members to defray the costs, expenses, and losses of management.

(d) To use the assessments to pay for common expenses and goods and services as reasonably necessary or convenient for the efficient and orderly functioning of The Villages and the properties subject to the Declaration.

(e) To contract with a professional management agent if deemed appropriate. A . T o merge and consolidate with any other non-profit corporation of similar type as such matters may be permitted by law.

(f) To purchase, lease, rent, hire, or otherwise acquire real or personal property of every kind and description.

(g) To sell, rent, lease, convey, encumber, and manage real or personal property of every kind and description, or any part thereof.

(h) To exercise each and every right of the Owners on behalf of The Villages.

(i) To borrow money and give security.

(j) To enter into, make, perform, and carry out contracts of every kind for every lawful purpose pertaining to business of The Villages with any individual, entity, firm, association, or corporation.

(k) To have and exercise all powers as allowed by law for a non-profit corporation and to have and exercise all powers necessary or convenient to effect any and all purposes for which property management is organized.

## ARTICLE V.

### Membership

Each Owner or Contract Purchaser of any lot, living unit, or proposed living unit made subject to the Restated Declaration of Covenants, Conditions, and Restrictions of The Villages of Garrison Creek shall automatically become a Member of this Master Property Management Association (the "Association"). The number of memberships available shall equal the total number of living units within The Villages. Initially it is estimated that there will be approximately 418 membership units, one membership unit for each living unit approved by the municipality to be developed for residential purposes within The Villages. The actual number of membership units will be determined by the number of units developed or proposed to be developed at any given time. The developer shall hold all membership units and shall be entitled to vote the same for all undeveloped land or unsold lots or living units. Membership in the Association, once obtained, will be terminated only by selling or disposing of an ownership interest or property interest covered under the Declaration.

ARTICLE VI.

Assets

The Association will hold title to and own certain land and other common areas within The Villages. No Member shall have an ownership interest in such funds or assets of the Association, but shall have the right to use the same in common with other Members according to the rules, regulations, and Bylaws established for the Association.

ARTICLE VII.

Voting Rights

The voting power of each Member shall be equal to every other Member. Each unit Owner or Contract Purchaser shall be entitled to one vote for each lot or living unit owned and subject to the Declaration. The voting interest of each lot or living unit must be cast as a single vote. There shall be only one vote assigned to the nursing home, developed as Phase 5 of The Villages.

ARTICLE VIII.

Board of Directors

The affairs of the Association shall be managed by a Board of seven (7) Directors. Two (2) directors shall be appointed by the Declarant/Owner of The Villages, and five (5) directors shall be elected by the Members of the Association. The Directors need not be Members of the Homeowners Association or residents of The Villages.

The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are as follows:

<u>Name</u>	<u>Post Office Address</u>
Ranee Rooker	821 SE Larkspur Place College Place, WA 99324
Greg Irland	940 SE Parkside Place College Place, WA 99324
Julie Ammon	834 SE Covey Court College Place, WA 99324
Tom Emmerson	940 SE Creekside Drive College Place, WA 99324
Dick Cook	725 Heron Drive College Place, WA 99324

Doug Botimer

847 SE Covey Court  
College Place, WA 99324

Sydney Rupar

1545 Gray Lynn Drive  
Walla Walla, WA 99362

#### ARTICLE IX.

##### Registered Office and Agent

The address of the initial registered office of the corporation is 1545 Gray Lynn Drive, Walla Walla, Washington 99362.

The Registered Agent of the corporation shall be Robert L. Rupar, whose address is 1545 Gray Lynn Drive, Walla Walla, Washington 99362.

#### ARTICLE X.

##### Assessments

The corporation shall have the power of making assessments against Members in order to accomplish the purposes and objectives of the corporation. The Directors shall have the option of setting a monthly assessment or from time to time levying further or special assessments as necessary for maintenance, repair, and replacement to common areas, including, but not limited to, roadways, private park areas, and walkways. Each Member of the Association (Owner, Contract Purchaser, and/or successors in interest) shall be required to pay assessments according to the number of memberships owned according to the formula established by the Board of Directors for allocation of assessments among and between the various phases and villages within the development.

Each assessment, whether monthly, special, for capital improvements, or otherwise, shall be an obligation of the Member, and the amount of such assessment assessed against any Member, plus interest, costs, and reasonable attorney fees, shall be a lien upon the property owned by the Member within the planned unit development and may be foreclosed by the corporation in the same manner as provided by law in the State of Washington for the foreclosure of a mechanic's lien.

#### ARTICLE XI.

##### Indemnification

No Director, officer, or employee of the corporation shall be liable to the corporation or its Members for monetary damages for conduct as an agent of the corporation on account of any act, action, or omission by him or her on behalf of the corporation if such person acted in good faith and in a manner he or she reasonably believed to be in the best interests of this corporation. This limit of liability shall not

apply to acts or omissions that involve intentional misconduct, knowing violation of law, or any transaction for which the individual personally receives a benefit in money, property, or services to which such individual is not legally entitled.

The corporation shall indemnify and hold harmless each Director, officer, and employee who was or is a party, or is threatened to be made a party, to any suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director, officer, or employee of the corporation, against expenses (including attorney fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit, or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interest of this corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. This indemnification, however, shall not indemnify a Director, officer, or employee from or on account of acts or omissions finally adjudged to be intentional misconduct or a knowing violation of law, or from, or on account of, conduct finally adjudged to be a violation of RCW 23B.08.510(4) or from, or on account of, any transaction with respect to which it was finally adjudged that such individual personally received a benefit in money, property, or services to which the individual was not legally entitled. Each such indemnity may continue as to the person who has ceased to be employed by or associated with the corporation and may inure to the benefit of the heirs, executors, and administrators of such person.

## ARTICLE XII.

### Self-Governance of Villages

Each separate village, delineated by subdivision or division within the planned unit development, shall govern and control issues that are distinct to that particular village or that are delegated to it by the Association. Each village shall be bound by its specific Bylaws setting forth the rules and regulations for that particular village. However, no rules or decisions by any village shall conflict with the rules and regulations of this Association nor the Declaration of The Villages of Garrison Creek.

## ARTICLE XIII.

### Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than ninety percent (90%) of the total membership by vote.

Upon dissolution of the Association, the Members shall be required to adopt a plan of dissolution which describes the manner in which the creditors of the Association shall be paid or provided for and which sets forth the terms of any sale of all or any portion of the property to be sold following termination.

Any remaining assets shall be dedicated to the City of College Place or other municipality in which The Villages are located, or conveyed to a non-profit organization with similar purposes as the Association.

ARTICLE XIV.

Amendments

To amend these Articles of Incorporation, the Board of Directors shall adopt a resolution setting forth the proposed amendment and then submit the same to a vote at an annual meeting or special meeting of the Members; provided, however, that the Board of Directors may not be enlarged nor may the appointment of two (2) Directors by the Declarant be restated at any time without the Declarant's specific written approval. Written notice setting forth the proposed amendment or summary of changes shall be given to each Member entitled to vote at such meeting within the time and manner provided by law. The proposed amendment shall be adopted upon receiving at least a sixty-six percent (66%) affirmative vote of all unit Owners.

ARTICLE XV.

Bylaws

The Directors of the corporation shall have the power to adopt Bylaws consistent with the laws of the State of Washington and these Articles, which Bylaws shall provide and shall designate the manner in which the purposes of this corporation shall be carried out.

ARTICLE XVI.

Incorporator

The name and post office address of the incorporator shall be as follows:

Name

Post Office Address

Phase Five Development, LLC

1545 Gray Lynn Drive  
Walla Walla, Washington 99362

IN WITNESS WHEREOF, the incorporator hereinabove named has set its hand in duplicate this

1<sup>st</sup> day of APRIL, 2003.

PHASE FIVE DEVELOPMENT, LLC,  
a Washington limited liability company

By: R. L. Ruper R. L. Ruper  
Title: ~~OFFICER~~ MEMBER

STATE OF WASHINGTON )

ss:

County of Walla Walla )

On this day personally appeared before me R. L. Keiper, to me known to be the Member of Phase Five Development, LLC, the limited liability company described in and which executed the within and foregoing instrument, and acknowledged that he/she was authorized to sign the same on behalf of said company as its free and voluntary act and deed for the uses and purposes therein mentioned.

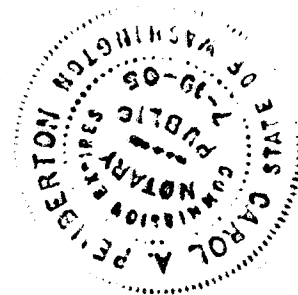
SUBSCRIBED AND SWORN to before me this 1st day of April, 2003.

CAROL A. PENBENTON

Carol A. Penbenton

Notary Public in and for the State  
of Washington, residing at:

Walla Walla WA

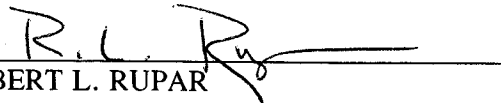




**CONSENT TO SERVE AS REGISTERED AGENT**

I, ROBERT L. RUPAR, hereby consent to serve as Registered Agent in the State of Washington for THE VILLAGES OF GARRISON CREEK MASTER PROPERTY MANAGEMENT ASSOCIATION. I understand that as agent for the corporation, it will be my responsibility to receive service of process in the name of the corporation; to forward all mail to the corporation; and to immediately notify the office of the Secretary of State in the event of my resignation, or of any changes in the registered office address of the corporation for which I am agent.

DATED this 1<sup>st</sup> day of APRIL, 2003.

  
ROBERT L. RUPAR  
1545 Gray Lynn Drive  
Walla Walla, WA 99362