

ARTICLES OF INCORPORATION  
OF  
DESERT AIRE OWNERS ASSOCIATION

KNOW ALL MEN OF THESE PRESENTS: I, the undersigned, being a natural person of the age of 21 years or more, and a citizen of the United States, acting as incorporator of the corporation hereinafter named pursuant to the provisions of the Washington Non-Profit Corporation Act (R.C.W. Chapter 24.03) do adopt the following as the Articles of Incorporation of said corporation.

ARTICLE I

The name of the corporation shall be Desert Aire Owners Association.

ARTICLE II

The duration of the corporation shall be perpetual.

ARTICLE III

This association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation, perpetual control, and development of lots, parcels, tracts, and common areas within certain property situated on the Priest Rapids Pool Reservoir in Grant County, State of Washington, and in general to promote the health, safety and welfare of the residents within such property and any additions thereto as may hereafter be brought within the jurisdiction of this Association and to foster and maintain acquaintanceship and friendship among the members of the Association through social, sporting, recreational, and other group activities and events, and for this purpose:

1. To provide adequate means, financial or otherwise, for the maintenance, repair, replacement, upkeep, control and use of the property of the Association, whether real or personal, together with all appurtenances thereunto appertaining, including, but not limited to specific property or properties hereinafter enumerated.

2. To purchase, accept, or otherwise acquire, own and hold, construct, improve, develop, repair, maintain, operate, care for and manage recreational areas, water systems, fences, walks, alleys, community buildings, and/or club houses, wharves, docks, boat landings and other marine appurtenances, utilities of any kind or nature whatsoever and, in general, community facilities appropriate for the convenience, entertainment, relaxation, use and benefit of the members of this Association.

3. To acquire by gift, purchase, lease or otherwise, and to own, hold, enjoy, maintain and to convey, sell, lease, transfer, mortgage and otherwise personal property wherever situated.

4. To pay taxes and assessments.

5. To levy and collect annually such dues, charges and/or assessments as may be necessary in the judgment of the Board of Directors and in pursuance of the By-Laws of this Association; to carry out any and all of the purposes for which this Association was formed; to expend such money so collected in accordance with the By-Laws of this Association and the payment of the costs, expenses and obligations incurred by such Association in carrying out any or all of its purposes.

6. To do and perform any and all acts which may be either necessary or incidental to the exercise of any of the foregoing purposes and/or powers.

7. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration" as the same now is or may hereafter be from time to time amended and to enforce and police the conditions, covenants and restrictions upon or for the benefit of parcels of real property, and appurtenances, over which the corporation has control and to which said parcels may be subject to the extent that the corporation has the right to enforce the same. And, for that purpose, to promulgate and provide rules and regulations for the use and enjoyment of said property in accordance with the By-Laws of this corporation.

8. To borrow money with the assent of the members of the Association as in the By-Laws more fully provided and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for such money borrowed or debts incurred.

9. To dedicate, sell, or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

10. To participate in mergers and consolidations with other non-profit corporations organized for similar or annex additional property and common areas.

11. To have and exercise any and all powers, rights, and privileges granted to non-profit corporations organized under the statute of the State of Washington as the same now are or may hereafter be amended.

*Article III, Section 12 addition voted in at Annual Meeting on June 18, 1988 to read as follows:*

12. A Board Member shall have no liability to the corporation or its members for monetary damages for conduct as a board member, except for acts or omissions that involve intentional misconduct by the board member as more clearly defined in the By-Laws of the corporation.

#### ARTICLE IV

##### Membership

*Article IV, voted in at Annual meeting on June 25, 1994 to read as follows:*

Every person or entity who is a record owner of a fee or undivided fee interest or purchaser under sales contract of any lot which is subject by covenant of record to assessment by the Association, including contract vendors, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation or those listed on property titles for estate planning purposes only and who have complied with Association rules to become so exempt. Membership shall be inseparably appurtenant to lots within the plat or plats aforementioned (Desert Aire Associates) and upon transfer of ownership or the execution by any member of a contract for the sale of any such lot or lots, such membership shall ipso facto be deemed to be transferred to the grantee or contract purchaser.

#### ARTICLE V

##### Voting Rights

The Association shall have no capital stock. The interest of each member in the Association shall be represented by a membership certificate. The Secretary of the Association is irrevocably appointed attorney-in-fact for each person holding a membership in the Association for the purpose of endorsing and transferring any membership certificate upon the occurrence of any event requiring such transfer.

*Article V, Voting Rights; voted in at Annual Meeting on June 19, 1982 to read as follows:*

There shall be one class of voting membership.

*Article V, Voting Rights, Section 1; voted in at Annual Meeting on June 25, 1994 to read as follows:*

1. Members shall be owners or contract purchasers. Each member will be entitled to one vote. The interest of each member shall be equal to that of any other and no member shall acquire any interest which shall entitle him to any greater voice, vote authority or interest in the Association than any other member. When more than one person holds an interest other than for estate planning purposes in accordance with association rules, in any other than as a marital community, all such persons shall be deemed to be members and collectively are entitled to one vote per lot. Each marital community shall be entitled to cast one vote. The vote for each marital community such lot shall be exercised as they between themselves determine, and designate, but in no event shall more than one vote be cast with respect to any such lot.

2. The qualifications of the members of said Association, the property and other rights and privileges shall be those as are set forth in the By-Laws of the Association.

#### ARTICLE VI

##### Distribution of Assets

##### Upon Dissolution

Upon dissolution of any assets of the corporation remaining after settlement of all debts, obligations and liabilities of the Association shall be distributed to any organization which is exempt under the provisions of Section 501C-4 of the Internal Revenue Code of the United States. The organization or organizations to which such a distribution shall be made shall be selected by a majority of the members of the Association existing as of the date of such dissolution.

#### ARTICLE VII

##### Registered Office and Agent

The address of the initial registered office of the Association shall be 5017 Clare Way, Everett, Washington, 98201. The name of its initial registered agent at such address is Harry Davidson.

#### ARTICLE VIII

##### Directors

The number of directors of the Association shall be not less than three (3). Subject to such limitation the number of directors shall be fixed by the By-Laws from time to time. The names and addresses of the three persons constituting the initial Board of Directors are as follows:

NAME	ADDRESS
Harry Davidson	Box 2176, Everett, Washington 98201
Ross Davidson	Box 2176, Everett, Washington 98201
Clinton Brunner	Box 2176, Everett, Washington 98201

ARTICLE IX

Incorporator

The name and address of the incorporator of this Association is as follows:

Harry Davidson, 5017 Claremont Way, Everett, Washington, 98201

ARTICLE X

The Association reserves the right to amend, alter, change or repeal any provisions contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute and all rights conferred upon the members of the Association herein are subject to this reservation.

IN WITNESS WHEREOF, I, the undersigned incorporator of this association, have hereunto set my hand and seal, in triplicate, this 15th day of May 1970.

/s/ Harry Davidson