

ARTICLES OF INCORPORATION

We, the undersigned persons, acting as the incorporators of a corporation under the provisions of the Washington Non-Profit Corporation Act, (Revised Code of Washington, 24.03), adopt the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation shall be SUDDEN VALLEY COMMUNITY ASSOCIATION (amended on 11-20-75).

ARTICLE II

The period of duration of the corporation shall be perpetual.

ARTICLE III

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

1) To acquire and hold title in trust to the common areas within the platted area of the Sudden Valley Development in Whatcom County, Washington, for the benefit of all lot owners and condominium owners, which original facilities and common areas shall be transferred to said corporation by Sudden Valley, Inc., the developer of the Sudden Valley properties.

2) To establish and collect assessments against each member of the corporation to provide for maintenance and operation of all the common areas and facilities transferred to it within the Sudden Valley Development for the mutual benefit of all its members. Minimum monthly dues of Nine Dollars (\$9.00) shall be assessed and collected against each lot and condominium to provide the funds required to maintain and control all roads, parks, reserve areas, community beach areas and recreational areas, and to provide for architectural and building controls within the limitations of the Restrictive Covenants of the plats of the Sudden Valley Development, and to provide and pay all taxes and assessments, if and when levied by the State or any municipal corporation on said community facilities, and to provide and pay for a security guard and patrol at all times on said property.

3) To engage in social and community activities, including the development, construction, maintenance and operation of any other community facilities within the area of the Sudden Valley Development, subject to applicable provisions of these Articles and of the By-Laws of this corporation.

ARTICLE IV

The corporation shall have all powers provided for non-profit corporation under Section 24.03.035 of the Revised Code of Washington, except that said corporation shall have no power to sell real property or real property interests held in trust by it for the benefit of all lot and condominium owners.

ARTICLE V

The corporation shall have one class of members, which shall be all lot owners and condominium owners within the Sudden Valley Development. The owner of each lot or condominium shall have one membership for each lot or condominium owned and shall be entitled to vote on each lot or condominium owned provided, however, that if two or more lots are bound together by an Irrevocable Covenant to Bind Lots and Forfeit Membership(s) in the form prescribed by the corporation's Board of Directors, and in the manner prescribed in the corporation's Bylaws, they shall be deemed to be one lot for the purposes of membership, voting, dues and assessments (amended 6-24-00). Each and every lot owner and condominium owner within the Sudden Valley Development shall be required to become and remain a member of this corporation and be required to abide by its Articles, Bylaws, and Rules and Regulations.

ARTICLE VI

The address of the initial registered office of the corporation shall be 409 Bellingham Nat'l. Bank Bldg., Bellingham, WA.

The name of the initial registered agent of the corporation shall be J. Kevin Downes, 1501 Eldridge, Bellingham, Washington (amended on 6-7-80)

ARTICLE VII

The number of Directors shall be not fewer than three (3) nor more than fifteen (15) (amended on 11-20-75) and the initial Board of Directors of the corporation shall be five (5) Directors. The names and addresses of the persons who are to serve as the initial Directors of the corporation and their initial terms of office are as follows:

Position 1:

Jack Phillips
1295 East Long Drive
Burnaby, B.C. Canada
One Year

Position 2:

Ray Williams
No. 4, 7166 Ash Crest
Vancouver, B.C. Canada
Two Years

Position 3:

Roy Sofield, D.D.S.
Sudden Valley
Bellingham, WA 98225
Two Years

Position 4:

Mike Sofie
Sudden Valley
Bellingham, WA 98225
Three Years

Position 5:

Fred DeMeule
202 1441 St. George Ave.
North Vancouver, B.C. Canada
Three Years

Sudden Valley, Inc., or its successors as assigns, shall have the right to select one Director, Position Number 4, so long as Sudden Valley, Inc., or its successor owns property within this development.

ARTICLE VIII

The names and addresses of the incorporators are the same as the Board of Directors, as set out above.

ARTICLE IX

In the event the corporation is dissolved, the net assets of the corporation shall be distributed in joint ownership to all lot owners and condominium owners in the Sudden Valley Development.

Dated this 2nd day of August, 1973.

(Mike Sofie)

(Dr. Roy Sofield)

(J.A. Phillips)

(A.J. DeMeule)

(Ray D. Williams)