

**ARTICLES OF INCORPORATION  
OF  
PACIFIC HIGHLANDS HOMEOWNERS ASSOCIATION**

The undersigned, being over the age of eighteen (18) years, as Incorporator of a corporation under the Washington Non-profit Corporation Act, 24.03, adopts the following Articles of Incorporation for such corporation:

**ARTICLE I.**

NAME

The name of the corporation is PACIFIC HIGHLANDS HOMEOWNERS ASSOCIATION.

**ARTICLE II.**

TERM

The duration of this corporation is perpetual.

**ARTICLE III.**

PURPOSE

The corporation is organized exclusively for the purpose of fulfilling all of the rights, privileges, and obligations reasonable and necessary to comply with the Covenants, Conditions and Restrictions for all phases of the Pacific Highlands Plat, and for any other lawful purposes as the Board of Directors may designate.

**ARTICLE IV.**

MEMBERSHIP

The corporation shall have members comprised solely of the property owners within the Pacific Highlands Plat.

**ARTICLE V.**

**REGISTERED OFFICE, AGENT**

The address of the initial registered office of the corporation shall be Belcher Swanson Lackey Doran Lewis & Robertson, 900 Dupont Street, Bellingham, Washington. The name of the initial registered agent of the non-profit corporation at such address shall be Douglas K. Robertson.

**ARTICLE VI.**

**DIRECTORS**

There shall be two (2) directors on the initial board of directors. They shall serve until the Corporation is transferred to the members as set forth in the CC&R's for the property. Thereafter the board shall be comprised of not less than 3 individuals, each serving a two-year term. If a directorship shall become vacant, then it shall be filled as provided in the Bylaws of this corporation.

Initial Board of Directors:

Kenneth M. Tiderington, Sr.  
2114 James Street  
Bellingham, WA 98225

Kenneth G. Tiderington, Jr.  
2114 James St.  
Bellingham, WA 98225

**ARTICLE VII.**

**INCORPORATOR**

The name and address of the incorporator of the corporation is:

Douglas K. Robertson  
900 Dupont Street  
Bellingham, WA 98225

## ARTICLE VIII.

### DISSOLUTION OF CORPORATION

In the event of the dissolution of the corporation, the net assets shall be distributed to the heirs and/or successors of the property owners of the real property commonly known as the Pacific Highlands Plat in Ferndale, Washington.

If Pacific Highlands Homeowners Association is not in existence, or no longer a qualified distributee, or unwilling or unable to accept the distribution, then the assets of this organization shall be distributed to a fund, foundation or organization which is organized and operated exclusively for the purposes specified in Section 501(c)(3) of the Internal Revenue Code.

## ARTICLE IX.

### TAXES

1. The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code, or corresponding provisions of any subsequent Federal tax laws.

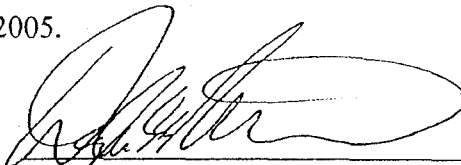
2. The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code, or corresponding provisions of any subsequent Federal tax laws.

3. The corporation shall not retain any excess business holdings defined in Section 4943(c) of the Internal Revenue Code, or corresponding provisions of any subsequent Federal tax laws.

4. The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code, or corresponding provisions of any subsequent Federal tax laws.

5. The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code, or corresponding provisions of any subsequent Federal tax laws.

DATED this 8 day of June 2005.



DOUGLAS K. ROBERTSON  
Incorporator

**CONSENT TO SERVE**

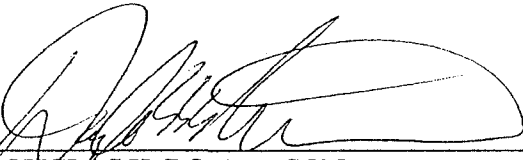
**AS**

**REGISTERED AGENT**

I, **Douglas K. Robertson**, hereby consent to serve as Registered Agent, in the State of Washington, for the following corporation, **PACIFIC HIGHLANDS HOMEOWNERS 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 8 day of June 2005.

  
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**DOUGLAS K. ROBERTSON,**  
**Registered Agent**

Registered Office  
900 Dupont Street  
Bellingham, Washington 98225  
Tel: (360) 734-6390 / Fax: (360) 671-0753