

ARTICLES OF INCORPORATION  
OF  
McDONNELL CREEK RANCH OWNERS ASSOCIATION  
(Restated on April 3, 2022)

KNOW ALL MEN BY THESE PRESENTS: I, the undersigned, being a natural person over the age of twenty-one (21) years, 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 (RCW 24.03) do adopt the following as the Articles of Incorporation of said corporation.

ARTICLE I.

NAME: The name of the corporation shall be McDONNELL CREEK RANCH OWNERS ASSOCIATION.

ARTICLE II.

DURATION: The duration of the corporation shall be perpetual.

ARTICLE III.

PURPOSE: 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 all common areas within that certain plat known as McDonnell Creek Ranch in Clallam County, Washington, and any future additions to said plat, and within two adjoining parcels described as the West half of the Southwest Quarter of Section 4, Township 30 North, Range 4 W.W.M., lying outside of said plat and outside of the North 32 rods of the West 40 rods of the said West half of the Southwest Quarter, and that portion of Government Lot 3, Section 5, Township 30 North, Range 4 W.W.M., lying Easterly of McDonnell Creek and outside the plat of McDonnell Creek Ranch; 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 cooperation among the members of the Association, 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 thereto, including but not limited to specific property or properties hereinafter enumerated.

2. To acquire and maintain community facilities and improvements appropriate for the convenience, recreation, use and benefit of this Association, and specifically to keep the roads in good repair, do the minimum work necessary to maintain trails to the

creek and beach areas, and maintain the common areas owned by the corporation in as natural a state as possible.

3. To acquire by gift, purchase, lease or otherwise, and to own, hold, enjoy, maintain and to convey, sell, lease, transfer, mortgage and otherwise encumber and dedicate for public use and/or otherwise dispose of real and 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 trustees and pursuant to the By-Laws of this Association; to carry out any and all of the purposes for which this Association was formed; to expend such monies as 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 document entitled "McDONNELL CREEK RANCH PROTECTIVE COVENANTS" recorded with the Clallam County Auditor, hereinafter called the "Protective Covenants", as the same now exists 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 and trust, or otherwise encumber 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 purposes, or to annex additional property in common areas.

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

#### ARTICLE IV.

MEMBERSHIP: Every person or entity who is a record owner of the primary possessory rights to any lot or parcel within the plat of McDonnell Creek Ranch, or any additions thereto, or within two adjoining parcels described as the West half of the Southwest Quarter of Section 4, Township 30 North, Range 4 W.W.M., lying outside of said plat and outside of the North 32 rods of the West 40 rods of the said West half of the Southwest Quarter, and that portion of Government Lot 3, Section 5, Township 30 North, Range 4 W.W.M., lying Easterly of McDonnell Creek and outside the plat of McDonnell Creek Ranch, shall be a member of the Association, whether said primary possessory rights are held as a fee owner, as a contract vendee, as a holder of a life estate, or by other conveyance, except such rights shall not pass to a renter or lessee, unless the same is expressly provided in a recorded lease. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be inseparably appurtenant to lots and parcels within the plat mentioned above, any additions thereto, and the two adjoining parcels described above, and upon transfer of ownership or the execution by any member of a contract for the sale of any such lot or parcel, such membership shall automatically be deemed to be transferred to the grantee or contract purchase.

Membership in the Association shall be represented by a share of stock in the Association having no par value. The Secretary of the Association is irrevocably appointed attorney-in-fact for each person holding a share of stock in the Association for the purpose of endorsing and transferring any share of stock upon the occurrence of an event requiring such transfer. There shall be only one class of stock, and there shall be one share of stock issued for each lot or parcel of the plat of McDonnell Creek Ranch, or any additions thereto, and for each lot or parcel of the two adjoining parcels, and one additional share for each permanent residential unit constructed and suitable for occupancy in excess of the first such unit on any lot or parcel. Roads and other common areas shall have no shares and no membership rights.

#### ARTICLE V.

VOTING RIGHTS: Each share of stock in the Association shall be entitled to one vote. When more than one person holds an interest in any lot other than a marital community, all such persons shall be deemed to be members and the vote for each such lot shall be exercised as they among themselves determine, and designate, but in no event shall more than one vote be cast with respect to any one share of stock. In the case of a marital community, the husband and wife shall vote as one, and either husband or wife may exercise their voting rights on behalf of the marital community.

#### ARTICLE VI.

DISTRIBUTION OF ASSETS UPON DISSOLUTION: The Association is a non-profit corporation which does not contemplate pecuniary gain or profit to its members, and no part of any net earnings of the corporation shall inure to the benefit of any

member or other individual. In the event of the dissolution of the corporation or in the event it shall cease to carry out the objects and purposes herein set forth, all of the property and assets of the corporation remaining after the payment of all debts, obligations and liabilities of the corporation shall be distributed to one or more non-profit organizations designated by the board of trustees which shall at the time of dissolution qualify as exempt organizations under Section 501(C) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue Code.

ARTICLE VII.

REGISTERED OFFICE AND AGENT: The address of the initial registered office of this Association shall be Route 4, Box 327, Sequim, Washington 98382. The name of its initial agent at such address is H. L. Olstead.

ARTICLE VIII.

TRUSTEES: Responsibility for the management of the affairs of the Association shall be vested in a board of trustees consisting of five (5) trustees. The names and addresses of the five (5) persons constituting the initial board of trustees are as follows:

<u>NAME</u>	<u>ADDRESS</u>
H. L. OLSTEAD	Route 4, Box 327 Sequim, Washington 98382
GRACE L. OLSTEAD	811 Hillcrest Drive Redwood City, California 94062
LLOYD F. BARBER	Route 3, Box 4395 Sequim, Washington 98382
EDWARD G. RICHARDSON	Route 4, Box 332 Sequim, Washington 98382
EDGAR A. OLSON	Route 4, Box 328 Sequim, Washington 98382

ARTICLE IX.

INCORPORATOR: The name and address of the incorporator of this Association is as follows: H. L. Olstead, Route 4, Box 327, Sequim, Washington 98382.

