

NOV 19 1997

RALPH MUNRO
SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
TIMBERTON VILLAGE HOMEOWNERS ASSOCIATION

A Washington Non-Profit Corporation

In compliance with the requirements of RCW 24.03, the undersigned, Craig L. Jones, who is a resident of Washington and otherwise fully qualified, does hereby voluntarily form a corporation not for profit and does hereby certify:

ARTICLE I
NAME

The name of the corporation shall be "TIMBERTON VILLAGE HOMEOWNERS ASSOCIATION" (hereafter referred to as the "Association").

ARTICLE II
PRINCIPAL OFFICE

The initial principal office of the Association is located at 19245 Tenth Avenue N.E., Post Office Box 1780, Poulsbo, Washington 98370, but may be changed at the discretion of the Board of Directors.

ARTICLE III
REGISTERED AGENT

Mr. Craig L. Jones, whose address is 19245 Tenth Avenue N.E., Post Office Box 1780, Poulsbo, Washington 98370, is hereby appointed as the initial Registered Agent of this Association.

ARTICLE IV
DURATION

The Association shall exist perpetually.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and it is formed for management, maintenance, social and recreational purposes to benefit the development of Timberton Village, and owners, residents and occupants therein. There is currently one division of Timberton Village, but additional divisions may be added from time-to-time at the discretion of Pope Resources, A Delaware Limited Partnership, its successors or assigns ("Developer"). At the discretion of Developer, lots created, and common areas, within the additional divisions may be subjected to, and included within, the Association. Timberton Village is subject to a Master Declaration for the South Bay Community and one or more Supplemental Declarations of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements as amended (hereinafter referred to as the "Declarations"). The Declarations are recorded against each pertinent Lot within Timberton Village, and the owners of each Lot are required to be Members of this Association. The Declarations are incorporated herein by this reference and, in the event of any inconsistency between the Declarations and these Articles of Incorporation, the Declarations shall control. In addition, the definitions contained within the Declarations shall apply to these Articles of Incorporation by this reference.

The Association shall have the right and responsibility to exercise all of the powers and privileges and to perform all of the duties and obligations of the Association set forth in the Declarations, as may be amended from time-to-time. and as provided under the Washington Non-

Profit Corporation Act, RCW 24.03, as specifically set forth in RCW 24.03.035, as may be amended from time to time.

ARTICLE VI MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot within Timberton Village shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot to which the Membership is attributable. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. The rights and obligations of Membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way, except upon conveyance of a Lot by deed, intestate succession, testamentary disposition, foreclosure or other legal process pursuant to the laws of the State of Washington or the United States.

ARTICLE VII MEMBERSHIP AND VOTING

The Association shall have two (2) classes of voting memberships:

Class A. Class A Memberships shall be all Memberships, except the Class B Membership held by the Declarant, or successor, of the property within Timberton Village, and each Owner shall be entitled to one (1) vote for each Lot owned, subject to the authority of the Board of Directors to suspend the voting rights of an owner for violations of the Declaration.

Class B. Class B Membership shall be the Declarant, and the Class B Membership shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Memberships on the first of the following events:

(A) When the total votes outstanding in Class A Membership equal the total votes outstanding in the Class B Membership;

(B) When the Declarant voluntarily terminates the Class B Membership by written notice to the Association, at which time it shall receive Class A Membership for each Lot owned within Timberton Village; or

(C) At the end of the Development Period.

When more than one person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE VIII BOARD OF DIRECTORS

The affairs of the Association shall be conducted and managed by the Board of Directors and such Officers as the Board of Directors may elect or appoint in accordance with the Declaration and Bylaws of the Association as the same may be amended from time-to-time. The Board of Directors shall be composed of at least three (3) and no more than nine (9) members. The initial Board of Directors shall be composed of three (3) members. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Name	Address
Mr. Greg McCarry	19245 Tenth Avenue N.E. Post Office Box 1780 Poulsbo, Washington 98370
Mr. Thomas A. Griffin	19245 Tenth Avenue N.E. Post Office Box 1780 Poulsbo, Washington 98370

Mr. Larry Smith

19245 Tenth Avenue N.E.
Post Office Box 1780
Poulsbo, Washington 98370

ARTICLE IX DISSOLUTION

In the event of dissolution, the net assets of the Association shall be distributed as determined by the Board of Directors to either (1) another nonprofit corporation; or (2) to the members as provided in RCW 24.03.

ARTICLE X BYLAWS

Provisions for the regulation of the internal affairs of the Association shall be set forth in the Bylaws of the Association.

ARTICLE XI AMENDMENT

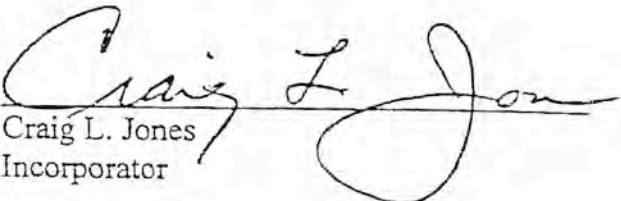
As long as there is a Class B Membership these Articles of Incorporation may be amended by obtaining approval of fifty-one (51%) percent or more of each Class of Membership. However, as long as there is a Class B Membership, any dedication of common areas or open spaces or amendment of these Articles of Incorporation, will require the prior approval of the Federal Housing Administration ("FHA"), if there is an FHA insured mortgage on any Lot, and/or the Veterans Administration ("VA"), if there is a VA guaranteed mortgage on any Lot within Timberton Village.

When there is no longer a Class B Membership, this Declaration may be amended by obtaining approval of sixty-six percent (66%) of the total outstanding votes of the Association.

ARTICLE XII
INCORPORATOR

The incorporator is Craig L. Jones, whose address is 19245 Tenth Avenue N.E., Post Office
Box 1780, Poulsbo, Washington 98370.

Dated this 17 day of November, 1997.


Craig L. Jones
Incorporator