

Bylaws of Oak Knoll Homeowners' Association  
A Non-Profit Oregon Corporation

Article I  
Plan of Ownership

1. Name and Location. These are the Bylaws of Oak Knoll Homeowners' Association, a non-profit Oregon corporation ("Association"). The Oak Knoll subdivision ("Development"), is located in Yamhill County, Oregon.
2. Definitions. All capitalized terms, if not defined herein, shall have the meaning provided in the Conditions, Covenants and Restriction for Oak Knoll, recorded October 31, 1995 as instrument number 199514666, Deed Records of Yamhill County, Oregon.
3. Principal Office. The initial principal office of the Association shall be located at 4380 SW Macadam, Suite 295, Portland Oregon 97201.
4. Purposes. This Association is formed to serve as the means through which the members may take action with regard to administration, management and operation of the Development.
5. Applicability of Bylaws. The Association, all Members and all persons using the Properties shall be subject to these Bylaws and to all rules and regulations which may be promulgated hereunder.
6. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot shall be a proprietary 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. Membership may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Each lessee, renter or other occupant of a Lot not eligible for proprietary membership, but who satisfies the conditions of these Bylaws and of the Declaration shall be an associate member, which status shall continue in effect during such period as the associate member shall be an authorized non-proprietary tenant of a Lot. Associate membership shall carry all of the rights and privileges and shall be subject to all obligations and responsibilities of proprietary membership, except the right to vote. Associate membership alone shall not be deemed to constitute ownership of a Lot for purposes of liability for assessments. At any time an associate member shall cease to be a resident of the Properties, or shall become a proprietary member, his rights and privileges as an associate member shall thereupon terminate.

7. Voting Rights. The Association shall have one class of members which shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Article III. When more than one person holds such interest in any Lot, each of such persons shall be a Member. The vote for such Lot shall be exercised as they among themselves determine and shall more than one (1) vote be cast with respect to any Lot.

## ARTICLE II MEETINGS

1. Place of Meetings. The Association shall hold meetings at such suitable place convenient to the Members as may be designated by the Board of Directors from time to time.

2. First Organizational Meeting. Within 120 days after Declarant has turned over control of the Association to the Members, there shall be held the initial meeting of the Association. Notice thereof shall be given to each Member as provided in these Bylaws.

3. Turnover Meeting. Within 120 days after Declarant has turned over control of the Association to the Members, there shall be held the initial meeting of the Association. Notice thereof shall be given to each Member as provided in these Bylaws.

4. Annual Meetings. The annual meeting of the Association shall be held in the months of May or June at such hour and on such date as the president may designate, or if the president should fail to designate such date by the first day of May, then on the last Tuesday in June. The annual meetings shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

5. Special Meetings. Special meetings of the Association may be called by the president or secretary or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from at least thirty percent (30%) of the Members stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

6. Notice of Meetings. Notice of all meetings of the Association stating the time and place and the objects for which the meeting is being called shall be given by the president or secretary. Such notice shall be in writing and mailed to each Member at his address as it appears on the books of the association and to any first mortgagee requesting such notice not less than fifteen (15) days nor more than fifty (50) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. When a meeting is adjourned for less than 30 days, no notice if the adjourned meeting need be given other than the announcement at the meeting at which such adjournment takes place.

7. Proxies. A vote may be cast in person or by proxy. A proxy given by a Member to any person who represents such Member at meetings of the Association shall be in writing and signed by such Member, and shall be filed with the secretary. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon sale of the Lot by its Owner. A Member may pledge or assign his voting rights to a mortgagee. In such a case, the mortgagee or its designated representative shall be entitled to receive all notices to which the Member is entitled hereunder and to exercise the Member's voting rights from and after the time that the mortgagee shall give designate a representative to attend all or any meetings of the Association.

8. Fiduciaries. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any Lot owned or held by him in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the secretary that he is the executor, administrator, guardian or trustee, holding such Lot in such capacity.

9. Quorum of Members. Except as specifically provided to the contrary in the Declaration, at any meeting of the Association thirty percent (30%) or more of the Members, present in person or by proxy, shall constitute a quorum. The subsequent joiner of a Member in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a Member. If any meeting of Members cannot be organized because of a lack of a quorum, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

10. Majority Vote. Except as otherwise specifically provided to the contrary in the Declaration, the vote of more that fifty percent (50%) of the Members, present in person or by proxy, at a meeting at which a quorum is constituted shall be binding upon all Members for all purposes except where a higher percentage vote is required by law, by the Declaration or by these Bylaws.

11. Order of Business. The order of business at annual meetings of the Association shall be:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;\_
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;

- (e) Reports of committees, if any;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment

12. Conduct of Meetings. Except as otherwise provided herein, meetings shall be conducted in accordance with Roberts Rules of Order.

### ARTICLE III BOARD OF DIRECTORS

3. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the Members. The powers and duties to be exercised by the Board of Directors shall include, but shall not be limited to the following:

- (a) Operation, care, upkeep, maintenance and repair of common areas in accordance with law, these Bylaws and the Declaration.
- (b) Assessment and collection of assessments as provided in the Declaration and the making of related expenditures set forth in the Declaration.
- (c) Employment and dismissal of such personnel as necessary for the efficient maintenance, upkeep and repair of the common areas.
- (d) Employment of legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association.
- (e) Opening of bank accounts on behalf of the Association and designating the signatories required therefore.
- (f) Obtaining insurance or bonds pursuant to the provisions of these Bylaws, the Declarant or law.
- (g) Adoption in accordance with these Bylaws of reasonable administrative rules and regulations for use of the common areas.

(h) Enforcement by legal means of the provisions of applicable law, the Declaration, these Bylaws and any rules and regulation adopted hereunder.