DECLARATION OF
RESTRICTIONS, CONDITIONS AND COVENANTS
APPLICABLE TO FENWAY PARK AT OAK KNOLL

DECLARATION OF RESTRICTIONS, CONDITIONS AND COVENANTS IS
APPLICABLE TO FENWAY PARK AT OAK KNOLL.

WHEREAS, JM6L INVESTMENT, LLC HEREBINAFTER REFERRED TO AS THE
DECLARANT, IS OWNER OF CERTAIN REAL PROPERTY LOCATED IN YAMHILL
COUNTY, IN THE STATE OF OREGON, KNOWN AS FENWAY PARK AT OAK
KNOLL, A DULY RECORDED PLAT:

WHEREAS, THE DECLARANT IS DESIROUS TO DECLARE OF PUBLIC RECORD
ITS INTENTIONS TO CREATE CERTAIN RESTRICTIVE CONDITIONS AND
COVENANTS TO THIS OWNERSHIP OF SAID PROPERTY:

NOW, THEREFORE, THE DECLARANT DOES HEREBY CERTIFY AND DECLARE
THAT THE FOLLOWING RESTRICTIONS, CONDITIONS AND COVENANTS SHALL
BECOME AND ARE HEREBY MADE A PART OF ALL CONVEYNANCES OF LOTS
WITHIN THE PLAT OF FENWAY PARK AT OAK KNOLL RECORDED IN FILM
VOLUME 1996 PAGE 0433. MICROFILM RECORDS OF YAMHILL COUNTY,
OREGON. AND THAT THE FOLLOWING RESTRICTIONS, CONDITIONS AND
COVENANTS SHALL BY REFERENCE BECOME A PART OF ANY SUCH
CONVEYNANCES AND SHALL APPLY THERETO AS FULLY AND WITH THE SAME
EFFECT AS IF SET FORTH AT LARGE THEREIN.

ARTICLE I
PROPERTY SUBJECT TO THESE COVENANTS

(1) INITIAL DEVELOPMENT

DECLARANT HEREBY DECLARES THAT ALL OF THE REAL PROPERTY DESCRIBED
ABOVE IS HELD AND SHALL BE HELD, CONVEYED, HYPOTHECATED,
ENCUMBERED, USED, OCCUPIED AND IMPROVED SUBJECT TO THESE
COVENANTS.

ARTICLE II
RESIDENTIAL COVENANTS

(1) LAND USE AND BUILDING TYPE

NO LOT SHALL BE USED EXCEPT FOR RESIDENTIAL PURPOSES. NO
BUILDING SHALL BE ERECTED, ALTERED, PLACED OR PERMITTED TO REMAIN
ON ANY LOT OTHER THAN ONE DETACHED SINGLE FAMILY DWELLING NOT TO
EXCEED TWO AND ONE HALF (2.5) STORIES OR 30' IN HEIGHT AND AN
ATTACHED PRIVATE GARAGE FOR NOT LESS THAN TWO (2) CARS. THE
FOREGOING PROVISIONS SHALL NOT EXCLUDE THE CONSTRUCTION OF A
PRIVATE GREENHOUSE, STORAGE SHED, PRIVATE SWIMMING POOL, OR FOR
THE STORAGE OF A BOAT AND/OR CAMPING TRAILER KEPT FOR PERSONAL USE, PROVIDED THE LOCATION OF USE STRUCTURES IS IN CONFORMITY WITH THE APPLICABLE MUNICIPAL REGULATIONS, AND IS COMPATIBLE IN DESIGN AND DECORATION WITH THE RESIDENCE CONSTRUCTED ON SUCH LOT.

THE PROVISIONS OF THIS SECTION SHALL NOT BE DEEMED TO PROHIBIT THE RIGHT OF ANY HOMEBUILDER TO CONSTRUCT RESIDENCES ON ANY LOT, TO STORE CONSTRUCTION MATERIALS AND EQUIPMENT ON SAID LOTS IN THE NORMAL COURSE OF CONSTRUCTION, AND TO USE A SINGLE FAMILY RESIDENCE AS A SALES OFFICE OR A MODEL HOME FOR THE PURPOSE OF SALES IN FENWY PARK AT OAK KNOLL.

ALL BUILDINGS CONSTRUCTED SHALL CONFORM TO EXISTING CITY OF NEWBERG BUILDING AND ZONING CODES.

(2) DWELLING SIZE AND SETBACKS

THE GROUND FLOOR AREA OF THE MAIN STRUCTURE, EXCLUSIVE OF ONE-STORY OPEN PORCHES AND GARAGES, SHALL NOT BE LESS THAN 1200 SQUARE FEET FOR A ONE STORY DWELLING, NOR SHALL THE GROUND FLOOR LEVEL BE LESS THAN 800 SQUARE FEET FOR A TWO-STORY DWELLING. THE TOTAL LIVING LEVELS OF MULTI-LEVEL DWELLINGS SHALL NOT BE LESS THAN A TOTAL OF 1200 SQUARE FEET. THE MINIMUM BUILDING SETBACK REQUIREMENTS SHALL BE AS SET BY THE CITY OF NEWBERG FOR R-1 MEDIUM DENSITY RESIDENTIAL IN THE NORTHWEST NEWBERG SPECIFIC PLAN.

(3) EASEMENTS

FOR INSTALLATION AND MAINTENANCE OF UTILITIES AND DRAINAGE FACILITIES ARE RESERVED AS SHOWN ON THE RECORDED PLAT.

(4) NUISANCES

NO NOXIOUS OR OFFENSIVE ACTIVITY SHALL BE CARRIED ON UPON ANY LOT, NOR SHALL ANYTHING BE DONE THEREON WHICH MAY BE OR MAY BECOME AN ANNOYANCE OR NUISANCE TO THE NEIGHBORHOOD.

(5) PARKING

PARKING OF BOATS, TRAILERS, MOTORCYCLES, ONE TON OR LARGER TRUCKS, TRUCK-CAMPERS AND THE LIKE EQUIPMENT SHALL NOT BE ALLOWED ON ANY PART OF SAID PROPERTY NOR ON PUBLIC WAYS ADJACENT THERETO EXCEPTING WHEN PARKED IN THE RESIDENTIAL DRIVEWAY FOR NOT MORE THAN SEVEN (7) CONSECUTIVE DAYS OR WITHIN THE CONFINES OF ANY ENCLOSED GARAGE, STORAGE FORT OR BEHIND A SCREENING FENCE OR SHRUBBERY WHICH SHALL IN NO EVENT PROJECT BEYOND THE FRONT WALLS OF ANY DWELLING OR GARAGE.
(6) VEHICLES IN DISREPAIR

No owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any lot or on the open space or on any street for a period in excess of forty-eight (48) hours. A vehicle shall be deemed to be in an "extreme state of disrepair" when its presence offends the occupants of the neighborhood.

(7) FENCES AND HEDGES

As defined in this section, "fencing" shall mean any barrier or wall, including trees and shrubs. Planting or site obscuring fences shall not exceed four (4) feet in height in the front yard or on side lot lines forward of the building line with the greatest setback on the lot or the adjoining residential lot, with the exception of the 15' front yard setback which may be a maximum of 30" in height. The maximum height of a site obscuring fence located on the remainder of the lot shall be six (6) feet. Fences shall be well constructed of suitable fencing materials and shall not detract from the appearances of the dwelling houses located on adjacent lots or be offensive to the owners or occupants thereof, provided you are in compliance with the Northwest Newberg Specific Plan.

(8) SIGNS

No signs shall be erected on any lot except that not more than one "FOR SALE" sign placed by owner, the declarant or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any lot. This restriction shall not prohibit the temporary placement of "political" signs on any lot by the owner, or the placement of a professional sign by the developer or declarant, which must comply with the city of Newberg sign ordinances.

(9) TEMPORARY STRUCTURES

No structure of a temporary character, trailer, basement, shack, garage, barn or other outbuilding shall be used on any lot any time as a residence whether temporarily or permanently. Tents used for recreational purposes will be limited to seven (7) consecutive days.

(10) LIVESTOCK AND POULTRY

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except a maximum of two (2) dogs, and a reasonable number of cats or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purposes.

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(11) **GARBAGE AND REFUSE DISPOSAL**

No lot or open space shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary containers and out of public view. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.

(12) **UTILITIES**

All plumbing facilities shall comply with the requirements of the plumbing code of the city of Newberg. No outdoor overhead wire or service drop for the distribution of electric energy or the tele-communication purposes. Nor any pole, tower or other structure supporting said outdoor overhead wires shall be erected, placed, or maintained within Fenway Park at Oak Knoll. All owners of lots within this subdivision, their heirs, successors and assigns shall use underground service wires to connect their premises and the structures built thereon to the underground electric or telephone utility facilities provided.

(13) **MAINTENANCE**

All lots, at all times, shall be kept in a neat and orderly condition free of brush, vines, weeds, debris, and the grass thereon cut or mowed at sufficient intervals to prevent creation of a nuisance or fire hazard.

(14) **BUSINESS AND COMMERCIAL USES**

No goods, equipment, vehicles, materials or supplies used in connection with any trade, service or business shall be kept or stored outside of the house or garage on any lot, excepting the right of any home-builder and the declarant to construct residences on any lot, to store construction equipment and materials on said lots in the normal course of said construction and to use any single family residence as a sales office or model home for the purpose of sales in Fenway Park at Oak Knoll.

(15) **LANDSCAPE COMPLETION**

All front yard landscaping must be completed within two (2) months from the date of posting notice of completion or the date of occupancy of the residence constructed thereon, whichever occurs first. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time.

(16) **ANTENNAS AND SERVICE FACILITIES**

Exterior antennas shall not be permitted to be placed upon the roof of any structure on any lot. Clotheslines and other
SERVICE FACILITIES SHALL BE SCREENED SO AS NOT TO BE VIEWED FROM THE STREET OR OTHER LOTS. ANTENNA SATELLITE DISHES LARGER THAN 36 INCHES IN DIAMETER ARE NOT ALLOWED ON ANY LOT.

(17) **EXTERIOR MATERIALS AND FINISHES**

EACH DWELLING SHALL BE CONSTRUCTED WITH A MINIMUM SQUARE FOOTAGE PER ARTICLE II, PARAGRAPH 2, FULLY FINISHED, EXCLUDING NON-HABITABLE APPURTENANCES SUCH AS GARAGES OR ENCLOSED PORCHES.

EACH DWELLING SHALL BE CONSTRUCTED USING CONVENTIONAL DOUBLE-WALL WOOD FRAMING. SUB-SHEATHING SHALL BE WAFFERBOARD OR PLYWOOD.

SIDING MATERIAL SHALL BE NATURAL WOOD MATERIAL, OR HAVE THE APPEARANCE OF NATURAL WOOD, MASONRY BRICK, STONE, STUCCO, OR A COMBINATION OF THESE. MANUFACTURED WOOD SIDING IS ALLOWED. NO T-111 IS ALLOWED.

ALL ROOFING SHALL BE 25 YEAR OR BETTER ARCHITECTURAL COMPOSITION, TILE OR WOOD SHAKES. WINDOW FRAMES WILL BE EITHER BRONZE TONE, WHITE ALUMINUM, WOOD OR VINYL. NO MILL GRADE ALUMINUM FRAMES WILL BE PERMITTED.

THE LOCATION, COLOR, SIZE DESIGN, LETTERING AND OTHER PARTICULARS FOR PAPER DELIVERY BOXES SHALL BE SUBJECT TO APPROVAL OF THE DECLARANT.

**ARTICLE III**

**ARCHITECTURAL CONTROL**

(1) ARCHITECTURAL CONTROL SHALL BE BY THE DECLARANT. ALL PLANS AND SPECIFICATIONS OF HOUSES TO BE CONSTRUCTED IN FENWAY PARK AT OAK KNOLL SHALL BE APPROVED IN WRITING BY THE DECLARANT. IN THE EVENT THAT THE DECLARANT FAILS TO APPROVE OR DISAPPROVE THE PLANS AND SPECIFICATIONS WITHIN THIRTY (30) DAYS AFTER THEY HAVE BEEN SUBMITTED, OR IN ANY EVENT, IF NO SUIT TO ENJOIN THE CONSTRUCTION HAS BEEN COMMENCED PRIOR TO THE COMPLETION THEREOF, APPROVAL WILL NOT BE REQUIRED AND THE RELATED COVENANTS SHALL BE DEEMED TO HAVE BEEN FULLY COMPLIED WITH. NO TWO LOTS SHALL HAVE IDENTICAL OR NEARLY IDENTICAL ELEVATIONS AS DETERMINED BY THE DECLARANT. TWO SETS OF ARCHITECTURAL PLANS SUBMITTED TO THE DECLARANT SHALL INCLUDE:

(A) FLOOR PLAN(S) INDICATING BUILDING DIMENSIONS AND AREAS.

(B) BUILDING ELEVATIONS INDICATING EXTERIOR MATERIALS, COLORS, WINDOW SIZES AND LOCATIONS AND BUILDING HEIGHT OF ALL PROPOSED BUILDINGS.

(C) PLOT PLAN INDICATING LOCATIONS OF ALL IMPROVEMENTS INCLUDING BUILDINGS, FENCING, PATIOS, DRIVES AND WALKS.
WITHIN TEN (10) DAYS OF RECEIPT OF THE PLANS AND FEE, THE 
DECLARANT SHALL RETURN ONE SET OF PLANS AND EITHER:
ISSUE A NOTICE OF COMPLIANCE OR NON-COMPLIANCE; ISSUE A 
NOTICE INDICATING CONDITIONAL APPROVAL WITH CORRECTIONS.
PLANS SHALL BE SUBMITTED TO THE DECLARANT FOR A NOTICE 
INDICATING APPROVAL.

ANY CHANGES TO THE APPROVED PLANS SHALL BE REVIEWED BY THE 
DECLARANT.

ARTICLE IV
GENERAL PROVISIONS

(1) TERM

THESE COVENANTS ARE TO RUN WITH THE LAND AND SHALL BE BINDING ON
ALL PARTIES AND ALL PERSONS CLAIMING UNDER THEM UNTIL AMENDED OR
REVOKED IN THE MANNER PROVIDED HEREBIN. THESE COVENANTS CAN BE
TERMINATED AND REVOKED OR AMENDED ONLY BY DULY RECORDING AN
INSTRUMENT WHICH CONTAINS AN AGREEMENT PROVIDING FOR TERMINATION
AND REVOCATION OR AMENDMENT, AND WHICH IS SIGNED BY THE OWNERS OF
A MAJORITY OF THE PLATTED LOTS.

(2) ENFORCEMENT

SHOULD ANY PERSON VIOLATE OR ATTEMPT TO VIOLATE ANY OF THE
PROVISIONS OF THESE COVENANTS, ANY PERSON OR PERSONS OWNING ANY
REAL PROPERTY EMBRACED WITHIN THE PLAT, INCLUDING THE DECLARANT,
at its or their option, shall have full power and authority to
prosecute any proceeding at law or in equity against the person
or persons violating or attempting to violate any of said
COVENANTS, either to prevent the doing of such, or to recover
DAMAGES SUSTAINED BY REASON OF SUCH VIOLATION. FAILURE BY ANY
OWNER TO ENFORCE ANY COVENANT OR RESTRICTION HEREIN CONTAINED
SHALL IN NO EVENT BE DEEMED A WAIVER OF THE RIGHT TO DO SO
THEREAFTER. ENFORCEMENT IS A CIVIL MATTER AND NOT THE
RESPONSIBILITY OF THE CITY OF NEWBERG.

(3) EXPENSES AND ATTORNEY'S FEES

IN THE EVENT ANY PERSON OR PERSONS OWNING ANY REAL PROPERTY
EMBRACED WITHIN THE PLAT OF FENWAY PARK AT OAK KNOLL INCLUDING
THE DECLARANT, SHALL BRING ANY SUIT OR ACTION TO ENFORCE THESE
COVENANTS, THE PREVAILING PROPERTY SHALL BE ENTITLED TO RECOVER

ALL COSTS AND EXPENSES INCURRED BY HIM IN CONNECTION WITH SUCH
SUITS OR ACTION, INCLUDING SUCH AMOUNTS AS THE COURT MAY DETERMINE
TO BE REASONABLE ATTORNEY'S FEES AT TRIAL AND UPON ANY APPEAL
THEREAFTER.

(4) SEVERABILITY
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INVALIDATION OF ANY ONE OF THESE COVENANTS BY JUDGEMENT OR COURT ORDER SHALL IN NO WAY AFFECT ANY OF THE OTHER PROVISIONS WHICH SHALL REMAIN IN FULL FORCE AND EFFECT.

(5) LIMITATION OF LIABILITY OF DECLARANT

NEITHER DECLARANT NOR ANY OFFICER OR DIRECTOR THEREOF, SHALL BE LIABLE TO ANY OWNER ON ACCOUNT OF ANY ACTION OR FAILURE TO ACT OF DECLARANT IN PERFORMING ITS DUTIES OR RIGHTS HEREUNDER, PROVIDED THAT DECLARANT, HAS IN ACCORDANCE WITH ACTUAL KNOWLEDGE POSSESSED BY IT, ACTED IN GOOD FAITH.

IN WITNESS WHEREOF, THE UNDERSIGNED BEING THE DECLARANT HEREIN, HAS HERETO SET ITS HAND ON THIS _7th_ DAY OF _JUNE_ , 1996.

FENWAY PARK AT OAK KNOLL

______________________________
3ML INVESTMENT, L.L.C.

By ____________________________
Curt D. Walker, Member

By ____________________________
Sharon K. Walker, Member

By ____________________________
Douglas C. Harnar, Member

By ____________________________
Norbert R. Smith, Member

ACKNOWLEDGEMENT:

STATE OF OREGON       S.S.
COUNTY OF YANHILL

THIS CERTIFIES THAT ON THIS _7th_ DAY OF _JUNE_ , 1996, PERSONALLY APPEARED THE ABOVE NAMED CURTIS D. WALKER, SHARON K. WALKER, DOUGLAS C. HARNAR, NORBERT R. SMITH AND ACKNOWLEDGE THE FOREGOING INSTRUMENT TO THEIR VOLUNTARY ACT AND DEED.

NOTARY PUBLIC FOR OREGON
MY COMMISSION EXPIRES: 5/15/00

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AMENDMENTS TO THE DECLARATION
OF RESTRICTIONS, CONDITIONS AND
COVENANTS APPLICABLE TO
FENWAY PARK AT OAK KNOLL

These 2007 amendments to the Declaration of Restrictions, Conditions and Covenants Applicable to Fenway Park at Oak Knoll are made this 1st day of August, 2007 by Fenway Park Homeowner’s Association, an Oregon nonprofit corporation (the “Association”).

RECITALS

A. Fenway Park at Oak Knoll is a community of owners established by the following documents recorded June 13, 1996 in the Records of Yamhill County, Oregon:

   Landscape and Maintenance Agreement recorded as Document No. 1996-09388 (the “Maintenance Agreement”).

   Declaration of Restrictions, Conditions and Covenants Applicable to Fenway Park recorded as Document No. 1996-09389 (the “Declaration”).

   Plat of Fenway Park at Oak Knoll recorded in Vol. 14, Page 1289, Plat Records.

B. "Association" is the association of owners formed pursuant to the Maintenance Agreement and Plat and incorporated as an Oregon nonprofit corporation under ORS Chapter 65 by Articles of Incorporation filed April 14, 2005 in the office of the Oregon Secretary of State.

C. The Association also governed by Amended and Restated Bylaws of Fenway Park Homeowner’s Association recorded simultaneously with these amendments.

D. As of January 1, 2002, Fenway Park at Oak Knoll is a Class II Planned Community and subject to the provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) as provided in ORS 94.572.
E. The Association and owners wish to amend portions of the Declaration as described below.

NOW, THEREFORE, pursuant to ORS 94.590, with the approval of at least a 75% of owners, the Association hereby amends the Declaration as set forth below.

Article IV, Section 1, is amended to read:

(1) **Duration.**

(a) This Declaration perpetually shall run with the land and be and remain in full force and effect at all times with respect to all properties described in this Declaration and the Owners thereof.

(b) This Declaration may be terminated upon approval, by the vote or written consent, of not less than one hundred percent (100%) of all Owners.

(c) A termination is effective only if a certificate of the president and secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required in this paragraph, is acknowledged and recorded in the Deed Records of Yamhill County, Oregon.

Article V is added as follows:

**ARTICLE V**

**ASSOCIATION**

5.1 **Organization.**

(a) **Incorporation.** Pursuant to the Plat and Maintenance Agreement, by Articles of Incorporation filed April 14, 2005, in the office of the Oregon Secretary of State, an association of owners was formed as a nonprofit corporation under ORS Chapter 65.

(b) **Name.** The name of the association is “Fenway Park Homeowner’s Association.”

5.2 **Bylaws; Board of Directors.**

(a) **Bylaws.** The Association is governed by *Amended and Restated Bylaws* recorded concurrently with this Declaration.
(b) **Board of Directors.** The affairs of the Association are governed by a Board of Directors as provided in the Bylaws.

5.3 **Membership: Voting Rights.**

(a) **Membership.** Each Owner is automatically a member of the Association. The membership commences, exists, and continues by virtue of the ownership. Membership need not be confirmed or evidenced by any certificate or acceptance of membership.

(b) **Voting.** Each lot in the Planned Community is allocated one vote in the affairs of the Association. The Board of Directors is entitled to vote on behalf of any lot which has been acquired by or on behalf of the Association, except the Board of Directors is not entitled to vote on behalf of any acquired Lot in any election of directors. The method of voting is as provided in the Bylaws.

5.4 **Assessments.**

(a) **Obligation to Pay.** All Owners are obliged to pay the assessments imposed by the Board of Directors on behalf of the Association as provided in the Bylaws.

(b) **Allocation of Common Expenses and Revenues.** The common revenues derived from and the common expenses of the Planned Community shall be allocated equally among all Lots.

5.5 **Association Powers, Duties and Obligations.** The Association has such powers and duties as may be granted to it or imposed by the *Oregon Planned Community Act* ("Act"), including each of the powers and duties set forth in ORS 94.630 as the statute may be amended to expand the scope of association powers, together with such additional powers and duties afforded by this Declaration, the Bylaws and ORS Chapter 65. The powers and duties include:

(a) **Administration of this Declaration and promulgation of rules, regulations, guidelines and standards that are binding on all owners to the extent that they are consistent with the provisions of this Declaration, the Bylaws or other recorded agreement governing the property.**

(b) **Designation, imposition and collection of assessments from the Owners in accordance with this Declaration, the Maintenance Agreement, the Bylaws and the Act.**
Article VI is added as follows:

ARTICLE VI
RENTAL AND LEASING OF LOTS

The rental and leasing of Lots shall be in accordance with this article.

6.1  **Definitions.** As used in this article the following terms have the following meanings:

(a)  “Grandfather Exception” means the right of an owner to rent or lease a Lot under Section 6.5 below.

(b)  “Renting or Leasing of a Lot” means the granting of a right to use or occupy a Lot for a specific term or indefinite term (with rent stated on a periodic basis), in exchange for the payment of rent (money, property or other goods or services of value). “Renting or Leasing of a Lot” does not mean:

(1)  Joint ownership of a Lot by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

(2)  An agreement between the owner and a roommate under which the owner and another person or persons share joint use of the Lot.

(c)  “Tenant” means a person who is granted the right to use or occupy a Lot as described in Subsection (b) of this section.

(d)  “To Rent or Lease a Lot” means to grant a right to use or occupy a Lot as described in subsection (b) of this section.

6.2.  **Restrictions.** Owners and Lots are subject to the following restrictions:

(a)  An owner may not rent or lease less than the entire Lot.

(b)  An owner may not rent or lease a Lot for transient or hotel purposes.

(c)  A Lot may not be rented or leased for a period of less than thirty (30) consecutive days.

(d)  Except as provided in Section 6.5 below, a Lot may not be rented or leased without the approval of the Board of Directors in accordance with Section 6.3 below.
6.3. **Application and Approval to Rent or Lease Lot.**

(a) **Application and Approval.** Except as provided in Section 6.5 below or Subsection (f) of this section, before renting or leasing a Lot, an owner must submit an application to the Board of Directors and must receive approval to rent or lease the Lot.

(b) **Board Action.** The Board of Directors shall review the application to rent or lease a Lot in accordance with Subsection (c) of this section, and subject to the limitation imposed under Section 6.4, below, shall:

1. Approve the application unless the rental or lease would result in more than 10% of the Lots (the “Rental-Lease Limit”) being rented or leased.

2. Deny the application if approval of the application would result in the number of Lots being rented or leased exceeding the Rental-Lease Limit, unless it determines a hardship exists and approves a hardship application under Section 6.6 below.

3. Deny the application if the Board deems necessary.

(c) **Review Procedure.**

1. The Board of Directors shall review applications for approval to rent or lease a Lot in chronological order based on the date of receipt of the application.

2. Within twenty (20) business days of receipt, the Board shall approve or deny an application as provided in this section and shall notify the owner within thirty (30) business days of receipt of the application of the Board’s decision. If approval is not given, the notification must state the reason for the denial.

3. Failure of the Board of Directors to respond within the time period specified in this subsection does not constitute approval by the Board.

(d) **Waiting List.** Unless otherwise directed in writing by the owner, if an owner’s application is denied, the applicant (including applicants who receive approval of a hardship application under Section 6.6 below) shall be placed on a waiting list according to the date the application was received so that the Owner whose application was earliest received will have first opportunity to rent or lease the Lot, subject to the limitation imposed under Section 6.4 below.

(e) **Authorization of Others to Perform Duties Under This Section.** The Board of Directors may grant a management agent or other person the authority to review and, except for hardship applications under Section 6.6 below, to approve or deny applications under this section.
(f) **Requirement if Lease or Rental Terminated.** If a rental or lease approved by the Board of Directors under this section is terminated, an Owner must apply to the board of directors for approval to rent or lease the Lot thereafter in accordance with this section unless the owner rents or leases the Lot within sixty (60) days of termination of the rental or lease.

6.4. **Limitations.** An owner is not eligible to rent more than one Lot until the pending applications of:

(a) All owners who are not currently renting or leasing a Lot are approved; and

(b) All owners who are currently renting or leasing fewer Lots than the applicant are approved.

6.5 **Grandfather and Mortgagee Exceptions.**

(a) Section 6.2(d) does not apply to:

(1) **Grandfather Exception.** An owner who, as of the date of the execution and recording of this amendment, is renting or leasing a Lot for a term of not less than thirty consecutive (30) days. The owner may continue to rent or lease the Lot to the existing tenant or subsequent/other tenants as long as the Owner owns the Lot. The right of an owner to rent or lease a Lot under this subsection terminates when the owner no longer owns the Lot. The successor in interest to the Lot has no rights under this section.

(2) **Mortgagee Exception.** A first mortgagee who acquires a Lot by foreclosure, deed in lieu of foreclosure or other arrangement in lieu of foreclosure. A successor to the first mortgagee is subject to the requirements and restrictions of Section 6.2(d) above.

(b) **Rental or Lease Agreements.** The requirements of Section 6.8(a) below do not apply to a rental or lease agreement entered into before the execution and recording of this amendment.

6.6. **Hardship Exception.**

(a) Notwithstanding Section 6.3 above, if an application is denied under Section 6.3(b)(2) above, to avoid undue hardships or practical difficulties such as the owner’s death, job relocation, extended vacation, disability, difficulty in selling the Lot due to market conditions in the area or other similar circumstances the board deems appropriate, the Board of Directors has discretion to approve an Owner’s hardship application to temporarily rent or lease the owner’s Lot.

(b) The Board may not approve a hardship application to rent or lease a Lot under this section:
(1) If the rental or lease will result in more than 15% of the Lots being rented or leased; or

(2) If the rental or lease is in violation of Section 6.2(a) or (b) above.

6.7. **Statement of Lot Occupancy Information.** All owners shall provide the Board of Directors with a Statement of Lot Occupancy Information which must be kept on file with the books and records of the Association so that the Association may determine the number of Lots rented or leased. The Statement of Lot Occupancy Information must be on a form prescribed by resolution of the Board and must contain, in addition to any other information the Board deems necessary and appropriate, a statement of whether or not the Lot is occupied by the owner and if not, the following information:

(a) The name of the tenant.

(b) The term of the rental or lease.

(c) The day and night telephone numbers of the tenant.

6.8. **Rental and Lease Agreement; Copies of Documents.** Rental and lease agreements must comply with this section.

(a) Subject to Section 6.5(b) above, a rental or lease agreement must be in writing and provide:

(1) The agreement and tenants are subject in all respects to the provisions of the Declaration, the Bylaws and any amendments thereto, and all rules and regulations adopted at any time by the Association.

(2) The tenant must comply with all applicable requirements of the documents specified in Paragraph (1) of this subsection.

(3) Failure by a tenant to comply with the terms of the documents specified in Paragraph (1) of this subsection constitutes a default under the rental or lease agreement and the Association has the remedies specified in Section 6.9 below, including, without limitation, the right of the Association to require the owner to terminate the rental or lease agreement, to terminate the tenancy and to evict the tenant.

(b) The owner shall provide the tenant with a copy of the Declaration and the Bylaws, including any relevant amendments to the documents, and all rules and regulations of the Association then in effect and shall take a receipt for delivery of the documents. If any document is amended, revised, changed, or supplemented by the Association, the owner shall provide the

Amendments to Declaration
tenant with a copy of the amendment, revision, change, or supplement within ten (10) calendar days of adoption by the Association or the Board of Directors.

(c) After the execution and recording of this amendment, upon the commencement of a rental or lease period, the owner shall provide the Association a Statement of Lot Occupancy Information, a copy of the receipt specified in Subsection (b) of this section and upon request, a copy of the rental or lease agreement. If the owner fails to provide the receipt, the Association shall provide the documents to the tenant and take a receipt therefor, and shall assess the owner a reasonable charge for the cost incurred in providing the documents as provided in Section 6.10 below.

(d) The requirements of Subsections (b) and (c) of this section are satisfied if copies of the documents and information are provided to the tenant by electronic mail or a posting on a website and the tenant signs a receipt for delivery of the documents.

6.9. **Remedies.**

(a) If an owner fails to submit the required application and receive approval under Section 6.3 above and rents or leases a Lot, or rents or leases a Lot in violation of Section 6.2(a), (b) or (c) above or after the Board of Directors has denied the owner’s application, the Board of Directors may:

1. Assess fines against the owner and owner's Lot in an amount to be determined by the Board of Directors pursuant to a schedule of fines adopted by the Board in accordance with ORS 94.630.

2. Regardless whether any fines have been imposed, proceed with any other available legal remedies, including, without limitation, an action to require the owner to terminate the rental or lease agreement and remove the tenant.

(b) Pursuant to rules adopted under Section 6.11 below, if the Board of Directors determines that a tenant has violated a provision of the Declaration, Bylaws, any amendments thereto or rules and regulations adopted pursuant to the documents specified in an adopted resolution, after notice and an opportunity for a hearing as prescribed in the adopted resolution, the Board of Directors may require an owner to terminate a lease or rental agreement.

(c) The Board of Directors and the Association have no liability to any owner or tenant for any eviction made in good faith.

(d) Expenses incurred through the tenant’s fault or direction (including expenditures described under Section 6.8(c) above), fines, charges and expenses incurred in enforcing the Declaration, the Bylaws and rules and regulations with respect to the tenant, and for

Amendments to Declaration
any costs incurred by the Association in connection with any action under this section, including reasonable attorneys' fees, are assessments against the owner and Lot which may be collected and foreclosed by the Association in the same manner as assessments are collected and foreclosed as provided under Article 8 of the Bylaws and ORS 94.709.

6.10. **Costs and Attorney Fees.** In addition to Section 6.9(d) above, the Association is entitled to recover from an offending owner its costs and attorney fees incurred for enforcement of this article, regardless whether any lawsuit or other action is commenced. The Association may assess the costs and attorney fees against the owner and the Lot as an assessment pursuant to ORS 94.709.

6.11. **Rules.**

(a) Pursuant to Sections 5.5 above and ORS 94.630, the Board of Directors shall adopt by resolution rules, consistent with this section, which establish the application and approval process, a waiting list and any other rules deemed necessary by the Board to implement this article.

(b) If the Board of Directors deems that it is in the best interest of owners and the Association, a resolution adopted under this section may prohibit an owner from renting or leasing a Lot unless the owner utilizes the services of a tenant screening service and receives a report from the service that the proposed tenant has not been convicted of a crime involving conduct of a nature which endangered the safety or welfare of persons or property, including, without limitation, any criminal sex offense, regardless whether the convicted offender is required to register as a sex offender. The resolution must specify what conduct is of a nature which endangers the safety or welfare of persons or property.

6.12. **ORS Chapter 90 not Applicable.** Nothing in this article, including the adoption of a resolution by the Board of Directors under Section 6.11 above or the rights under Section 6.9 above, may be construed to impose on the Association the duties, responsibilities or liabilities of a landlord under ORS Chapter 90 or subject the Association to any requirements of ORS Chapter 90.

**ARTICLE VII**

**AMENDMENT**

7.1 **How Proposed.** Amendments to the Declaration must be proposed by either a majority of the Board of Directors or by Owners holding thirty percent (30%) or more of the voting rights delivering the proposed amendment to the Board for presentation to the Owners. The proposed amendment must be reduced to writing and included in the notice of any meeting at which action is to be taken thereon or attached to any request for approval or consent to the amendment.

7.2 **Approval Required.** Except as otherwise provided in Sections 7.3 below or by other provisions of this Declaration or by the Act, this Declaration may be amended if the amendment is
approved by Owners holding at least seventy-five percent (75%) of the voting rights of the Planned Community.

7.3 **Additional Approval Requirements.** Unless the Owners of the affected Lots unanimously consent to the amendment, no amendment may:

(a) Change the boundaries of any Lot or the uses to which any Lot is restricted under Section 2.1(a) above.

(b) Change the method of determining liability for common expenses or method of determining right to common revenues of any Lot under Section 5.4 above or the method of determining voting rights of any Lot under Section 5.3 above.

7.4 **Execution and Recordation.** An amendment is not effective until the amendment is certified by the president and secretary of the Association as being adopted in accordance with this Declaration and the applicable provisions of the Act, is acknowledged and is recorded in the Deed Records of Yamhill County, Oregon.

Fenway Park Homeowner’s Association

By: [Signature]

President

By: [Signature]

Secretary
CERTIFICATION

The undersigned President and Secretary of Fenway Park Homeowner’s Association hereby certify that the within amendments have been approved by the owners in accordance with ORS 94.590.

Fenway Park Homeowner’s Association, an Oregon Corporation

By: Robert Calwell
President

By: Carleen Johnson
Secretary

STATE OF OREGON )
 ) ss
County of Washington )

The foregoing instrument was acknowledged before me this 17th day of August, 2007 by Robert Calwell, President, and Carleen Johnson, Secretary, of Fenway Park Homeowner’s Association, an Oregon nonprofit corporation, on its behalf.

TISHA MILLER
Notary Public for Oregon

My Commission Expires July 25, 2010
BYLAWS
OF
FENWAY PARK HOMEOWNER'S ASSOCIATION

WHEREAS, on June 13, 1996, Fenway Park subdivision was created by filing in the Subdivision Plat Records of Yamhill County, Subdivision Plat No.199609386, thereby creating Lots 1 through 53, Fenway Park, Yamhill County, Oregon; and

WHEREAS, a Maintenance Agreement for Fenway Park was recorded on June 13, 1996, as Instrument No. 199609388, Deed and Mortgage Records of Yamhill County, Oregon, hereinafter referred to as the Maintenance Agreement; and

WHEREAS, the Maintenance Agreement in general provided for the ongoing maintenance and upkeep of certain common areas along North College within Fenway Park; and

WHEREAS, the Maintenance Agreement provided that a homeowner's association shall be established to take over responsibilities for the common areas after a certain number of lots have been sold; and

WHEREAS, the undersigned developer of Fenway Park, pursuant to said Maintenance Agreement and ORS 94.625, desire to create a homeowner’s association and adopt Bylaws for the Association to, in part, take over the ongoing responsibility for maintenance of the common areas in the subdivision; now, therefore,

THE UNDERSIGNED AGREES, DECLARES, AND STATES AS FOLLOWS:

ARTICLE ONE
CREATION OF ASSOCIATION

Fenway Park Homeowner’s Association, an unincorporated homeowner’s association, is hereby established.
ARTICLE TWO

MEMBERS OF ASSOCIATION

The Association shall have one class of membership. Every beneficial owner, as distinguished from a security owner of a residential lot in Fenway Park, shall automatically be a member. Each member in good standing shall be entitled to vote on each matter submitted to a vote of the members, provided, however, each member shall be the sole owner of a lot. A member shall have one vote for each lot of which he or she is the owner. Where two or more owners own a lot, or in the event of subdivison, only one vote for such lot shall be allowed, and such owners shall designate and register with the Secretary of the Association the name of that owner entitled to cast a single vote.

At membership meetings all votes shall be cast in person, or by proxy registered with the Secretary of the Association.

A member may assign his or her membership rights to any tenant residing in the member's lot. Such assignment shall be effected by filing with the Secretary of the Association a written notice of assignment signed by the member.

ARTICLE THREE

PURPOSE OF ASSOCIATION

The purpose of the Association is to:

1. To regularly maintain, repair and restore the masonry fence and common area landscaping along North College within Fenway Park; and

2. To aid and cooperate with the owners of the lots within the subdivision in the enforcement of such covenants, conditions and restrictions on or appurtenant to the property within the subdivision as are now in existence, as well as any other covenants, conditions and restrictions as may hereafter be established; and

3. To care and maintain for all facilities of any kind dedicated to community use within the subdivision and other open spaces and other ornamental features of the subdivision which now exist or which may be hereafter installed or constructed within the subdivision; and

4. In general, but in connection with the foregoing, to do any and all things necessary to promote the general welfare of the residents and owners of the lots within Fenway Park.

2/6
ARTICLE FOUR

MEETINGS OF MEMBERS

A. Annual Meeting. An annual meeting of the members of the Association for the purpose of hearing reports of all officers and for electing directors shall be held within the City of Newberg, County of Yamhill, State of Oregon, in the month of January of each year, beginning with the year 1998, the time and place shall be fixed by the directors.

B. Regular meetings. In addition to the annual meeting, regular meetings of the members shall be held at such time and place as shall be determined by the Board of Directors.

C. Special Meetings. A special meeting of the members may be called by the Board of Directors, by the President, or if requested by not less than 50% of the members having voting rights.

D. Notice of Meetings. Written notice stating the place, date and hour of any meeting of members shall be delivered either personally or by mail to each member entitled to vote at such meeting not less than 15 days before the date of such meeting.

E. Quorum/Manner of Acting. Members holding 40% of the votes that may be cast at any meeting shall constitute a quorum at any meeting of the members; and the act of the majority of the membership present at a meeting at which a quorum is present shall be the vote of the membership.

F. Proxy. At any meeting of the members, a member entitled to vote may vote by proxy executed in writing by the member.

ARTICLE FIVE

BOARD OF DIRECTORS

A. General Powers. The affairs of the Association shall be managed by a Board of Directors, subject to instructions of the members of the Association at a regular meeting, or subject to approval of the membership as expressed by a vote of the membership.

B. Number, Tenure and Qualifications. The number of directors shall be not less than three. Each director shall be a member of the association and shall serve for one year or until such time as his or her successor shall have been elected and qualified.

C. Annual Meeting. The Board of Directors shall meet at least following the annual meeting of the members.
D. **Regular/Special Meetings.** The Board of Directors may meet regularly or have such special meetings as they may from time to time agree. A special meeting can be called by the President, or if requested, by at least two Directors.

E. **Notice of Meetings.** Written notice stating the place, date and hour of any meeting of members shall be delivered either personally or by mail to each member entitled to vote at such meetings not less than 5 days before the date of such meeting.

F. **Quorum/Manner of Acting.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

G. **Vacancies.** Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of the increase in the number of Directors shall be filled by election by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

**ARTICLE SIX**

**OFFICERS**

The officers of the Association shall consist of a President, Secretary and Treasurer.

A. **Method of Election.** The officers shall be members of the Association, shall be elected by the Board of Directors, and shall serve for a term of one year or until such time as their successor is duly elected and qualified. The President shall also be a member of the Board of Directors.

B. **President.** The president shall preside at all meetings of the Association and of the Board of Directors at which he or she is present, shall exercise general supervision of the affairs and activities of the Association.

C. **Secretary.** The secretary shall keep the minutes of the Association and of the Board of Directors, which shall be an accurate and official record of all business transacted. The Secretary shall be the custodian of all Association records.

D. **Treasurer.** The treasurer shall receive all Association funds, keep them in a bank or other savings institution approved by the Board of Directors and shall pay out funds only on notice signed by the Treasurer and one other officer.

E. **Vacancy.** A vacancy in any office caused by the death, resignation, removal, disqualification or otherwise shall be filled by the Board of Directors.
ARTICLE SEVEN

ANNUAL MAINTENANCE FEE AND ASSESSMENTS

A. Annual Maintenance Fee. The Board of Directors may set an annual maintenance fee to be assessed against the membership. Any such maintenance fee shall be equally assessed amongst all the lots within the subdivision.

B. Special Assessments. The Board of Directors may also enact special assessments that may be levied against the members.

C. Payment of Annual and Special Assessments. All regular and special assessments shall be due and payable within 30 days of their notice to the membership.

If any member fails to pay his or her assessments as they become due, on the failure of payment of the assessments, said assessments shall bear interest at the rate of 9% per annum from the date the member was first notified of the assessment; and in addition, the amount of the assessment shall become a lien on the member’s lot in the subdivision in favor of the Association, and the Association shall have the right to record a notice of lien and proceed on such claim in accordance with the provisions of ORS 94.790 for the foreclosure and enforcement of liens: or, in the event the Association shall not record a lien, it shall have the right to commence a in personam action against such member for the collection of the assessment in any court of competent jurisdiction.

D. Assignment of Assessments. In the event any member whose assessments are paid shall, during the year in which such assessments are paid, terminate his or her membership by the sale of his or her lot in the subdivision, he or she shall be entitled to assign to the buyer of the lot the benefit of the assessment paid. The Association shall be under no obligation to refund or prorate to a member any portion of an assessment paid by reason of the fact that a member has sold his lot.

ARTICLE EIGHT

FISCAL YEAR

The fiscal year of the association shall be a calendar year commencing January 1 of each year.

ARTICLE NINE

AMENDMENTS

Any proposed amendment to these Bylaws must be submitted in writing at any meeting of the members of the Association. Such proposed amendments shall be discussed at the meeting of the members following the meeting at which the proposed
amendment was submitted, and shall be voted on by the members of the Association at a date that shall not be earlier than the second meeting following the initial submission of the proposed amendment. Such proposed amendment must be signed by at least three members of the Association. A proposed amendment shall become effective when approved by a vote of the membership.

IN WITNESS WHEREOF, the undersigned declarant execute these Bylaws on this 17th day of October, 1997, and authorizes that they be recorded in the Deed and Mortgage Records of Yamhill County, Oregon.

Fenway Park, L.L.C.
By M & L INVESTMENTS, L.L.C.
Development Manager

By

Curtis D. Walker, Member

STATE OF OREGON

County of Yamhill

On the 17th day of October, 1997, personally appeared the above named Curtis D. Walker and acknowledged the foregoing instrument to be his voluntary act and deed.

Before me:

LaVerne Crain
Notary Public for Oregon
My commission expires: 5/15/00

10-20-97
2007 AMENDED AND RESTATE<DL>

DE LAWS

OF

FENWAY PARK HOMEOWNER'S ASSOCIATION

These 2007 Amended and Restated Bylaws of Fenway Park Homeowner's Association, ("2007 Amended and Restated Bylaws") are made this ___ day of August, 2007 by Fenway Park Homeowner's Association, an Oregon nonprofit corporation (the "Association").

RECITALS

A. Fenway Park at Oak Knoll is a community of owners established by the following documents recorded June 13, 1996 in the Records of Yamhill County, Oregon:

Landscape and Maintenance Agreement recorded as Document No. 1996-09388 (the "Maintenance Agreement").

Declaration of Restrictions, Conditions and Covenants Applicable to Fenway Park recorded as Document No. 1996-09389 (the "Declaration").

Plat of Fenway Park at Oak Knoll recorded in Vol. 14, Page 1289, Plat Records.

B. "Association" is the association of owners formed pursuant to the Maintenance Agreement and Plat and incorporated as an Oregon nonprofit corporation under ORS Chapter 65 by Articles of Incorporation filed April 14, 2005 in the office of the Oregon Secretary of State.

C. The Association is currently governed by Bylaws of Fenway Park Homeowner's Association, (the "Bylaws") recorded October 19, 1997 as Document No. 1997-17637, Records of Yamhill County, Oregon.
D. As of January 1, 2002, Fenway Park at Oak Knoll is a Class II Planned Community and subject to the provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) as provided in ORS 94.572.

E. The Association and owners wish to amend and restate the Bylaws in their entirety, and to record the amended and restated bylaws as provided in ORS 94.625.

NOW, THEREFORE, pursuant to Article Nine of the Bylaws and ORS 94.625, with the approval of at least a majority of owners, the Association hereby amends and restates in its entirety the Bylaws which are replaced and superseded by these 2007 Amended and Restated Bylaws which read as set forth below.
ARTICLE 1
DEFINITIONS

When used in these Bylaws, the following terms have the following meaning, whether or not capitalized:

1.1 "Act" means the Oregon Planned Community Act, ORS 94.550 to 94.783.

1.2 "Assessment" means any charge imposed or levied by the Association on or against an Owner or Lot pursuant to the Declaration, these Bylaws or the Act.

1.3 "Association" means Fenway Park Homeowner's Association, an Oregon nonprofit corporation, its successors and assigns.

1.4 "Board of Directors" or "Board" means the board of directors elected as provided in Section 4.2 below.

1.5 "Bylaws" means these 2007 Amended and Restated Bylaws and any amendments thereto.

1.6 "Common Expenses" means expenditures made by or financial liabilities incurred by the Association, more particularly described in the Declaration and Article 8 below.

1.7 "Common Property" means any real property or interest in real property within the Planned Community which is owned, held or leased by the Association.

1.8 "Declaration" means Declaration of Restrictions, Conditions and Covenants Applicable to Fenway Park at Oak Knoll recorded June 13, 1996 as Document No. 1996-09389, Records of Yamhill County, Oregon and any amendments thereto.

1.9 "Lot" means a numerically designated and platted lot on the Plat (including the dwelling located thereon), but does not include any Common Property.


1.11 "Nonprofit Act" means the Oregon Nonprofit Corporation Act, ORS chapter 65.

1.12 "Percent of Owners" or "Percentage of Owners" means the percent of the voting rights allocated under Section 5.3 of the Declaration.

1.13 "Planned Community" means Fenway Park at Oak Knoll, recorded June 13, 1996 in Vol. 14, Page 1289, Plat Records of Yamhill County, Oregon, except Tract A.

1.14 "Plat" means Plat of Fenway Park at Oak Knoll recorded in Vol. 14, Page 1289, Plat Records (the "Plat").
1.15 "Rules and Regulations" means the policies, procedure, rules and regulations adopted by the Board of Directors or the Owners pursuant to the authority granted in these Bylaws, the Declaration or the Act.

1.16 "Voting Rights" means the portion of the votes allocated to a Lot under Section 5.3 of the Declaration.

1.17 Incorporation by Reference. Except as otherwise provided in these Bylaws, unless the context clearly requires otherwise:

(a) The terms defined in the Declaration have the same meaning in these Bylaws to the extent applicable to the Owner or Lot.

(b) Each term used in these Bylaws that is defined in ORS 94.550 has the meanings set forth in ORS 94.550, unless the term is defined otherwise in the Declaration.

1.18 Other Definitions. Terms which are not defined in this article but are defined elsewhere in these Bylaws have the respective meanings given them in the provision of these Bylaws.

ARTICLE 2
ASSOCIATION IDENTITY, PURPOSES,
POWERS AND OFFICES

2.1 Name; Location; Principal Office.

(a) Name and Location. These are the Bylaws of Fenway Park Homeowner’s Association, an Oregon nonprofit corporation. The property governed by the Association is located in Yamhill County, Oregon.

(b) Principal Office. The principal office of the Association is located in the Planned Community, or at another location within the State of Oregon as is determined by the Board of Directors.

2.2 Application of the Act. Fenway Park at Oak Knoll is a Class II Planned Community subject to the Act as provided in ORS 94.572.

2.3 Purposes and Powers.

(a) Purposes. The purpose of the Association is to serve as the means through which the Owners may take action with regard to administration, management and operation of the Planned Community including the administration of Declarations and Maintenance Agreement according to their terms and the promulgation of rules, regulations, guidelines and standards that are binding on all owners to the extent that they do not violate or contradict the provisions of the Declaration or Maintenance Agreement.
(b) **Powers.** The Association has such powers and duties as may be granted to it or imposed by the Act, including each of the powers and duties set forth in ORS 94.630 as the statute may be amended to expand the scope of association powers, together with such additional powers and duties afforded by the Declaration, Maintenance Agreement, these Bylaws, the Nonprofit Act and Article 5 of the Declaration.

2.4. **Membership in Association.**

(a) The Owner of each Lot is a member of the Association. The membership commences, exists, and continues by virtue of the ownership, and expires automatically upon termination of the ownership. Membership need not be confirmed or evidenced by any certificate or acceptance of the membership.

(b) **Determination of Ownership.** Ownership shall be determined for all purposes of the Declaration, these Bylaws and the administration of the Association and Planned Community from the record of ownership maintained by the Association. The record shall be established by the Owners filing with the Association a copy of the deed or land sale contract for the Lot evidencing the certificate of the recording officer of Yamhill County, Oregon, a copy of a title insurance policy or other evidence reasonably acceptable to the Board of Directors.

2.5 **Applicability of Bylaws.** The Association, all Owners and all persons using the Planned Community property are subject to these Bylaws and to all Rules and Regulations which may be promulgated under these Bylaws.

2.6 **Incorporation.**

(a) The Association shall be incorporated under the Nonprofit Act. The Articles of Incorporation shall be consistent with these Bylaws. These Bylaws constitute the bylaws of the incorporated association.

(b) If the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event, all of the property, powers and obligations of the incorporated association existing immediately prior to its dissolution automatically vest in the successor unincorporated association. The vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, any such successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the incorporated association as if they had been made to constitute the governing documents of the unincorporated association.
ARTICLE 3
ASSOCIATION MEETINGS AND VOTING

3.1 **Place of Meeting.** The Association shall hold meetings at such suitable place in Yamhill County, Oregon, convenient to the Owners as may be designated by the Board of Directors from time to time.

3.2 **Annual Meetings.**

(a) The Association shall hold at least one (1) meeting of the Owners each calendar year. Unless otherwise provided by resolution of the Board of Directors, the annual meetings of the Association shall be held each year during the month of May at such place and at such date and hour as the president may designate.

(b) The annual meeting is for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

3.3 **Special Meetings.**

(a) 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 the president or secretary upon receipt of a written request from at least twenty-five percent (25%) of the Owners stating the purpose of the meeting. Business transacted at a special meeting must be confined to the purposes stated in the notice given under Section 3.4 below.

(b) If a notice for a special meeting requested by Owners under this section is not given within 30 days after the date the written request is delivered to the president or secretary, a person signing the request may set the date, time and place of the meeting and give notice as specified in Section 3.4 below.

3.4 **Notice of Meetings.**

(a) Notice of all meetings of the Association shall be given by the president, secretary or other person authorized by resolution of the Board of Directors. All notices must be in writing and must:

1. State the date, time and place of the meeting.

2. State the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes or any proposal to remove a director of the Association.

3. Be hand delivered or mailed to the mailing address of each Lot or to the mailing address designated in writing by the Owner, and to all mortgagees that have requested notice, not less than ten (10) or more than fifty (50) days before the date of the meeting.
(4) If the notice is mailed, the notice is deemed to be delivered when deposited in the United States mail, with first class postage fully paid, addressed as provided in Paragraph (3) of this subsection and Section 14.1 below. Proof of the mailing shall be given by the affidavit of the person giving the notice.

(b) When a meeting is adjourned under Section 3.7 below for less than thirty (30) days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which the adjournment takes place.

3.5 Meeting Procedure. Unless other rules of order are adopted by resolution of the Board of Directors or the Association:


(b) A decision of the Association may not be challenged because the appropriate rules of order were not used unless a person entitled to be heard was denied the right to be heard and raised an objection at the meeting in which the right to be heard was denied.

(c) A decision of the Association is deemed valid without regard to procedural errors related to the rules of order one (1) year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

3.6 Quorum.

(a) At any meeting of the Association, Owners representing thirty-three percent (33%) of the voting rights, present in person, by proxy or absentee ballot, if permitted under Section 3.9(b) below, constitutes a quorum, unless otherwise provided in these Bylaws.

(b) The subsequent ratification by an Owner in the action taken at a meeting constitutes the presence of the person for the purpose of determining a quorum and determining the vote on the action. When a quorum is once present to organize a meeting, the quorum cannot be broken by the subsequent withdrawal of an Owner or Owners.

3.7 Adjournment of Meetings.

(a) Lack of a Quorum.

(1) If any meeting of Owners, other than a meeting conducted pursuant to Section 3.12 below, cannot be organized because of a lack of quorum, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum as specified in Section 3.6 above is present.

(2) If a date certain has been specified in a solicitation of a meeting by written ballot conducted pursuant to Section 3.12 below, the Board of Directors may postpone
the due date for counting the ballots, in one (1) or more postponements, for up to ninety (90) days after:

(A) The originally scheduled ballot return date if a quorum of ballots has not been returned or for matters on which a certain percentage approval is required and that vote has not been received or sufficient votes in opposition have not been received to negate the approval.

(B) If the vote is by secrecy procedure, the specified date certain.

(b) **Continuation of Business.** In accordance with Robert's Rules of Order or other rules of order adopted under Section 3.5 above, a meeting may be adjourned until later the same day or some other day and time.

3.8 **Allocation of Votes.** Each Lot is allocated one vote in the affairs of the Association as provided in Article 5 of the Declaration. The Board of Directors is entitled to vote on behalf of any Lot which has been acquired by or on behalf of the Association, except the Board of Directors is not entitled to vote on behalf of an acquired Lot in any election of directors.

3.9 **Proxies, Absentee Ballots; Mortgagee Rights.**

(a) **Proxies.**

(1) A vote may be cast in person or by proxy. A proxy given by an Owner to any person who represents the Owner at meetings of the Association must be in writing, dated and signed by the Owner and must be filed with the secretary in accordance with procedures adopted by resolution of the Board of Directors.

(2) No proxy is valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy; however, no proxy may be valid for more than one (1) year after the date of execution. Unless withdrawn, a proxy given to another person to vote at a specific meeting is also valid at an adjourned meeting called under the provisions of Section 3.7 above.

(3) No proxy is valid if it purports to be revocable without notice to the Association.

(4) An Owner may not revoke a proxy given except by actual notice of revocation to the person presiding over a meeting of the Association or to the Board of Directors if a vote is being conducted by written ballot in lieu of a meeting pursuant to Section 3.12 below.

(5) Every proxy automatically ceases upon sale of the Lot by its Owner.
(b) **Absentee Ballots.** At the discretion of the Board of Directors, a vote may be cast by absentee ballot.

(c) **Mortgagee Rights.**

(1) An Owner may pledge or assign Owner's voting rights to a mortgagee. In such a case, the mortgagee or its designated representative is entitled to receive all notices to which the Owner is entitled under these Bylaws and to exercise the Owner's voting rights from and after the time that the mortgagee has given written notice of the pledge or assignment to the Board of Directors.

(2) Any first mortgagee may designate a representative to attend any or all meetings of the Association.

3.10 **Fiduciaries, Corporate Entities and Joint Owners.**

(a) **Fiduciaries.** An executor, administrator, guardian or trustee may vote in person, by proxy or by absentee ballot, if permitted under Section 3.9(b) above, at any meeting of the Association with respect to any Lot owned or held in such capacity, whether or not the same has been transferred to his or her name, provided that the person satisfies the secretary that he or she is the executor, administrator, guardian or trustee holding the Lot in such capacity.

(b) **Corporate and Other Entities.** Any person voting on behalf of a Lot owned by a corporation, partnership or other entity shall provide the secretary with written evidence, satisfactory to the secretary, that the person is the constituted representative of the corporation, partnership or other entity.

(c) **Joint Owners.** Whenever any Lot is owned by two (2) or more persons jointly, according to the records of the Association, the vote (or consent) of the Lot may be exercised by any one (1) of the Owners then present, in the absence of protest by a co-owner. In the event of a protest, no one co-owner is entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote (or consent) of the Lot must be disregarded completely in determining the proportion of votes given with respect to the matter.

3.11 **Binding Vote.** The vote of Owners representing a majority of the voting rights, present, in person, by proxy or absentee ballot if permitted under Section 3.9(b) above, at a meeting at which a quorum is constituted, is binding upon all Owners for all purposes except where a higher percentage vote is required by law, the Declaration or these Bylaws.

3.12 **Action by Written Ballot in Lieu of a Meeting.**

(a) **Action By Written Ballot.** At the discretion of the Board of Directors, any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association, subject to the requirements of Subsection (d) of this section, delivers a written ballot to every Owner that is entitled to vote on the matter at least ten (10) days before the deadline for return of ballots. Action by written ballot may not substitute
for the annual meeting of the Association, unless permitted under ORS 94.647, or a meeting held to remove a director pursuant to Section 4.4 below.

(b) **Form and Effect of Ballot.**

(1) The written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action.

(2) A written ballot may not be revoked unless permitted under ORS 94.647.

(c) **Information Required in Ballot Solicitations.** All solicitations for votes by written ballot must:

(1) State the number of responses needed to meet any applicable quorum requirements and the total percentage of votes needed for approval.

(2) Specify the period during which the Association will accept written ballots for counting, which period ends on the earliest of the following unless the vote is pursuant to the secrecy procedure described in Subsection (d) of this section:

(A) The date on which the Association has received a sufficient number of approving ballots to pass the proposal;

(B) The date on which the Association has received a sufficient number of disapproving ballots to render the proposal impossible of passage; or

(C) A date certain on which all ballots must be returned to be counted.

(d) **Secrecy Procedure.**

(1) Unless the vote will be conducted according to the procedure specified in Paragraph (2) of this subsection, the Board of Directors shall provide Owners with at least ten (10) days’ notice before written ballots are mailed or otherwise delivered. The notice must be delivered in the manner prescribed by the Board and must inform the Owners that if at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, which date must be stated, at least ten percent (10%) of the Owners petition the Board of Directors requesting the secrecy procedure, the procedure specified in Paragraph (2) of this subsection must be followed.

(2) If at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the Owners petition the Board of Directors requesting the secrecy procedure, a written ballot must be accompanied by:

(A) A secrecy envelope;
(B) A return identification envelope to be signed by the Owner; and

(C) Instructions for marking and returning the ballot.

(e) **Determination of Vote.** The outcome of a vote by written ballot in lieu of a meeting must be determined by the Board of Directors within forty-eight (48) hours of the deadline for return of ballots. Matters that may be voted on by written ballot are deemed approved or rejected as follows:

(1) If approval of a proposed action would otherwise require a meeting at which a certain quorum must be present and at which a certain percentage of total votes cast is required to authorize the action, the proposal is deemed approved when the date for return of ballots has passed, a quorum of Owners has voted and the required percentage of approving votes has been received. Otherwise the proposal is deemed to be rejected.

(2) If approval of a proposed action otherwise would require a meeting at which a specified percentage of Owners must authorize the action, the proposal is deemed approved when the percentage of total votes cast in favor of the proposal equals or exceeds the required percentage. The proposal is deemed rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and the required percentage has not been met.

(f) **Counting of Votes.** Votes may be counted from time to time before the final return date to determine whether the proposal has passed or failed by the votes already cast on the date they are entered, except written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

3.13 **Action Without a Meeting.**

(a) Any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting and without solicitation of written ballots pursuant to Section 3.12 above, if the action is taken by all of the Owners entitled to vote on the action.

(b) The action must be evidenced by one (1) or more written consents describing the action taken, signed by all of the Owners entitled to vote on the action, and delivered to the Association for inclusion in the minutes or filing with the Association records.

(c) Action taken under this section is effective when the last Owner signs the consent, unless the consent specifies an earlier or later effective date. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.
ARTICLE 4
BOARD OF DIRECTORS:
POWERS; ELECTION; TERM OF OFFICE

4.1 Number; Qualifications; Term

(a) Number and Designation of Positions. The affairs of the Association shall
be governed by a Board of Directors composed of five (5) directors elected as provided in
Section 4.2 below. By a resolution adopted by the Board of Directors, the number of directors
may be increased to not more than nine (9) or reduced to not fewer than three (3) members.
Director position are designated “A”, “B”, “C”, “D” and “E”. If the number of directors is
increased, the new positions must be also be designated by letter.

(b) Qualification. All directors shall be an Owner or the co-owner of a Lot.
However, multiple Owners of the same Lot may not serve as directors simultaneously. An
officer or employee of a corporation, the members of a limited liability company, a partner of a
partnership, a trustee of a trust, a personal representative of an estate or an employee of a trust or
estate, may serve on the Board if the corporation, limited liability company, partnership, trust or
estate owns a Lot.

(c) Term. Except as provided in Subsections (d) and (e) of this section,
directors shall hold office for a term of two (2) years or until their respective successors have
been elected by the Owners. The terms of the Directors shall be staggered so that the terms of at
least one-third (1/3) of the Directors expire annually.

(d) 2007 Directors. Until the election of the Board of Directors at the 2008
annual meeting as provided under Section 4.2 below, the affairs of the Association shall be
governed by five (5) directors elected at the 2007 annual meeting. A vacancy is governed by
Section 4.3 below.

(e) Increase in Number of Directors. If the number of Directors is increased,
the additional Directors shall initially be elected for staggered terms. The resolution adopted
must prescribe the initial term of additional directors and designate the position by letter in
accordance with this section.

(f) Reduction in Number of Directors. If the Board of Directors determines it
is in the best interest of the Association to reduce the number of directors (but not to fewer than
three (3) directors), the Board shall adopt a resolution specifying the reduced number of
Directors constituting the Board and the manner by which the number of Directors will be
reduced. In accordance with ORS 65.314, a decrease in the number of directors may not shorten
an incumbent director’s term.

4.2 Election.

(a) 2007 Annual Meeting. At the 2007 annual meeting held in accordance
with Section 3.2 above, at which a quorum is present, two directors (Positions A and B) shall be
elected to serve until the next annual meeting and three directors (Positions C, D and E) shall be elected to serve until the second annual meeting after their election. Thereafter, at the expiration of the initial term of office of each respective director, his or her successor shall be elected to serve for a term of two (2) years, so that the term of not less than one-third (1/3) of the directors expires annually in accordance with Section 4.1 above.

(b) Election at Annual Meeting. At the annual meeting held under Section 3.2 above Owners shall elect directors to succeed directors whose terms expire.

(c) Nomination. The Board of Directors shall determine the method of nominating directors which must include the right of an Owner to nominate a director from the floor at any meeting at which an election of directors is held.

(d) Manner of Election. The Board of Directors shall determine the manner of election of directors which may include the election of directors by a single ballot, with each Owner permitted to vote for the number of vacant director positions. In such event, the nominees receiving the highest number of votes equal to the number of director positions shall be directors. Election of directors shall be by plurality. Cumulative voting is not permitted.

4.3 Vacancies. Vacancies on the Board of Directors, caused by any reason other than the removal of a director by a vote of the Association under Section 4.4(a) below, shall be filled for the balance of the term of each directorship by vote of a majority of the remaining directors even though they may constitute less than a quorum. Each person so elected shall be a director until a successor is elected upon expiration of the term for which the person was elected by the other directors to serve.

4.4 Removal of Directors.

(a) Removal by Owners.

(1) At any annual or special meeting, other than a meeting by written ballot held pursuant to Section 3.12 above, any one or more of the directors may be removed, with or without cause, by a vote of a majority of Owners. The notice of the meeting must state that the removal is to be considered and any director whose removal has been proposed must be given an opportunity to be heard at the meeting.

(2) The agenda of the meeting called under this subsection must include the election of a successor to fill the vacancy created. If Owners fail to fill a vacancy created by the removal of the director, the President shall call a special meeting in accordance with Section 3.3 above for the purpose of electing a director to fill the vacancy.

(b) Removal by Board for Failure to Attend Board Meetings. Any director who fails to attend three (3) successive meetings of the Board of Directors which have been properly called, or who has failed to attend more than one-third (1/3) of the Board of Directors meetings during a twelve (12) month period which have been properly called, may be removed by a majority of the remaining directors.
4.5 **Powers and Duties.** The Board of Directors has all the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or these Bylaws may not be delegated to the Board of Directors by the Owners.

4.6 **Specific Powers and Duties.** The powers and duties to be exercised by the Board of Directors include, without limitation, the following:

(a) **Maintenance of Common Property.** Maintenance, repair, replacement and supervision of Common Areas and any other Common Property.

(b) **Bank Accounts.** Opening and maintenance of bank accounts on behalf of the Association and designating the required signatories required in accordance with these Bylaws.

(c) **Budgets and Reserve Studies.** Preparation and adoption of budgets for payment of common expenses and preparation, review and update of reserve studies, all in accordance with these Bylaws.

(d) **Reserves.** Establishing and maintaining replacement reserve accounts and other reserves as required by the Declaration or these Bylaws and such other reserve accounts as are permitted by these Bylaws including a general operating reserve account by allocation and payment periodically of an amount determined by the Board of Directors to be appropriate.

(e) **Assessment Collection.** Designation, imposition and collection of assessments from the Owners in accordance with the Declaration, the Maintenance Agreement, these Bylaws and the Act.

(f) **Voucher System.** Institution and maintenance of a voucher system for payment of expenses. The system must require a sufficient number of signatories as may be reasonably necessary to prevent any misuse of the Association's funds.

(g) **Personnel.** Designation, employment and dismissal of the personnel necessary for the maintenance and operation of the Association and the Planned Community. The Board of Directors may employ or enter into a contract with a management agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board of Directors authorizes, including, but not limited to, the duties listed in this section.

(h) **Annual Financial Statement.** The preparation and distribution of an annual financial statement of the Planned Community to Owners in accordance with Section 12.5 below.

(i) **Rules.** In accordance with Article 7 below, promulgation, adoption and amendment of Rules and Regulations governing the details of operation and use of Lots, Common Property and rules of conduct for Owners, employees and invitees which shall be consistent with the Declaration.
(j) **Enforcement.** Enforcement by legal means of the provisions of the Act, the Declaration, the Maintenance Agreement and these Bylaws, and any Rules and Regulations adopted under these Bylaws in accordance with the Declaration and these Bylaws.

(k) **Insurance.**

(1) Obtaining and maintaining the insurance required under Article 10 below. In addition, the Board of Directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or Owners.

(2) At least annually, the review of the insurance coverage of the Association as provided in Article 10 below. The review, if appropriate, must include an appraisal of all improvements for which the Association has maintenance responsibility and improvements in the Common Areas in any other Common Property.

(L) **Annual Report with Secretary of State.** The filing of the Annual Report with the Oregon Secretary of State in accordance with the Nonprofit Act.

(m) **Income Tax Returns.** Preparation or causing to be prepared and filed any required income tax returns or forms.

(n) **Association Records.** Compliance by the Association with ORS 94.670 relating to maintenance of Association records and maintenance of copies suitable for duplication of the documents specified in ORS 94.670 and Section 12.6 below.

(o) **Association Mailing Address.** Maintenance of a current mailing address for the Association in accordance with ORS 94.640.

(p) **Committees.** Establishment of committees and appointment of members to committees as the Board of Directors in its sole judgement deem necessary or appropriate to assist the Board in its duties, including, but not limited to, an architectural control committee in accordance with Article III of the Declaration.

4.7 **Liability and Indemnification of Directors, Officers, Manager, or Managing Agent.**

(a) Directors and officers are not liable to the Association for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith.

(b) The Association shall indemnify and hold harmless each director and officer and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the Board of Directors, officers, manager, or managing agent on behalf of the Association unless any contract was made in bad faith or contrary to the provisions of the Declaration or of these Bylaws.
(c) Each director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party or which they may become involved, by reason of being or having been a director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof. However, there may be no indemnity if the director, officer, manager, or managing agent is adjudged guilty of willful nonfeasance, misfeasance, or malfeasance in the performance of his or her duties.

4.8 Standards of Conduct. In the performance of their duties, directors are governed by ORS 94.640, 65.357, 65.361 and 65.369.

4.9 Compensation of Directors. No director may be compensated in any manner, except for out-of-pocket expenses, unless the compensation is approved by a binding vote of the Owners under Section 3.11 above.

ARTICLE 5
MEETINGS OF THE BOARD OF DIRECTORS

5.1 Organizational Meeting.

(a) Location, Date and Time. Unless otherwise agreed by the Board, within fourteen (14) days following the annual meeting of the Association or following any meeting at which an election of directors has been held, the Board of Directors shall hold an organization meeting at such place and time as is determined by the directors at the meeting at which the election was held. No further notice of the organizational meeting to the directors is necessary.

(b) Procedure and Business. Until the election of new officers, the organizational meeting shall be chaired by the outgoing president, or, in the absence of such person, the outgoing secretary, regardless of whether the outgoing president or secretary is a member of the newly constituted board. At the organizational meeting, the Board of Directors shall elect officers in accordance with Section 6.2 below and may conduct any other Association business.

5.2 Regular and Special Meetings.

(a) Call of Meetings.

(1) Regular Meetings. Regular meetings of the Board of Directors may be held on such date and at such time and place as is determined, from time to time, by a majority of the directors.

(2) Special Meetings. Special meetings (including emergency meetings) of the Board of Directors may be called by the president or the secretary and must be called by the secretary within 10 days of receipt of a written request of at least two (2) directors.
The secretary or other person designated by resolution of the Board of Directors shall cause notice to be given in accordance with Subsection (b) of this section.

(b) **Notice to Board of Directors.**

(1) **Regular Meetings.** Any requirements for notice to directors of regular meetings of the Board of Directors shall be determined, from time to time, by a majority of the directors.

(2) **Special Meetings.** Unless otherwise determined, from time to time, by a majority of the directors, notice of any special meeting must be given to each director, personally or by mail, telephone, telegraph or other means approved by the director, at least ten (10) days prior to the day named for the meeting. The notice must state the time, place and purpose of the meeting.

(3) **Emergency Meetings.** Notice requirements to directors for emergency meetings of the Board of Directors shall be as determined, from time to time, by a majority of the directors.

5.3 **Quorum and Acts.**

(a) At all meetings of the Board of Directors, a majority of the directors constitutes a quorum for the transaction of business and the acts of the majority of the directors present are the acts of the Board of Directors, unless a greater number is required by law or these Bylaws.

(b) If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting as originally called may be transacted without further notice to directors or Owners.

5.4 **Mode of Board Meetings.** Meetings of the Board of Directors shall be by a gathering of directors at a designated location, except, in the case of an emergency, meetings of the Board of Directors may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Board of Directors participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

5.5 **Meeting Procedure.**

(a) **Director Assent Presumed.** A director of the Association who is present at a meeting of the Board of Directors at which action on any Association matter is taken is presumed to have assented to the action taken unless:

(1) The director objects at the beginning of the meeting, or promptly upon the director’s arrival, to holding the meeting or transacting the business at the meeting;
(2) The director’s dissent or abstention from the action taken is entered in the minutes of the meeting; or

(3) The director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Association immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

(b) **Proxies and Secret Ballots Prohibited.** Directors may not vote by proxy or by secret ballot at Board meetings, except officers may be elected by secret ballot. A vote or abstention for each director present must be recorded in the minutes.

(c) **Rules of Procedure.** Unless other rules of order are adopted by resolution of the Board of Directors:


(2) A decision of the Board of Directors may not be challenged because the appropriate rules of order were not used unless a person entitled to be heard was denied the right to be heard and raised an objection at the meeting in which the right to be heard was denied.

(3) A decision of the Board of Directors is deemed valid without regard to procedural errors related to the rules of order one (1) year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

5.6 **Open Meetings; Executive Sessions.**

(a) **Open Meetings.** Except as provided in Subsection (b) of this section, all meetings of the Board of Directors are open to Owners. However, no Owner has a right to participate in the meeting of the Board unless the Owner is also a member of the Board. The president or presiding officer has the authority to exclude an Owner who disrupts the proceedings at a Board meeting.

(b) **Executive Sessions.** In the discretion of the Board of Directors, the following matters may be considered in executive session:

(1) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;

(2) Personnel matters, including salary negotiations and employee discipline;

(3) The negotiation of contracts with third parties;

(4) Collection of unpaid assessments; and
(5) Any other matters permitted under ORS 94.640 as it may be amended from time to time.

(c) **Executive Session Procedure.**

(1) Except in the case of an emergency, the Board of Directors shall vote in an open meeting whether to meet in executive session. If the Board votes to meet in executive session, the president or other presiding officer shall state the general nature of the action to be considered and, as precisely as possible, when and under what circumstances the deliberations can be disclosed to Owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting.

(2) A contract or an action considered in executive session does not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes.

5.7 **Notice to Owners of Meetings of Board.** For other than emergency meetings, notice of each meeting of the Board of Directors must be posted at a place or places in the Planned Community at least three (3) days prior to the meeting, or notice must be provided by a method otherwise reasonably calculated to inform the Owners of the meeting.

5.8 **Meeting Defined.**

(a) As used in Sections 5.4, 5.5, 5.6 and 5.7 above, “meeting” means any convening of a quorum of members of the Board of Directors where matters relating to Association business are discussed, except a convening of a quorum of members of the Board of Directors for the purpose of participating in litigation, mediation or arbitration.

(b) The meeting and notice requirements of Sections 5.4, 5.5, 5.6 and 5.7 above may not be circumvented by chance or social meetings or by any other means.

5.9 **Waiver of Notice by Directors.**

(a) At any time, a director may waive notice of any meeting of the Board of Directors. The waiver must be in writing. A written waiver is deemed equivalent to the giving of the notice.

(b) Attendance by a director at any meeting of the Board constitutes a waiver of notice by the director, except when the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Subject to the requirements of Sections 5.4, 5.5, 5.6, 5.7 and 5.8 above, if all directors are present at any meeting of the Board, no notice to directors is required and any business may be transacted at the meeting.
ARTICLE 6
OFFICERS

6.1 Designation and Qualification.

(a) Designation. The principal officers of the Association shall be a president, one or more vice presidents, as the Board may from time to time determine and with such designations as the Board may assign, a secretary and a treasurer. The directors may designate such other offices as in their judgment may be necessary. Any two (2) or more offices may be held by the same person except the offices of president and secretary.

(b) Qualification. All principal officers, except a management agent (if any) must be members of the Board of Directors.

6.2 Election of Officers: Vacancies The officers of the Association may be elected by the Board of Directors at the organizational meeting of each new Board held in accordance with Section 5.1 above or any Board of Directors meeting thereafter to serve until their respective successors are elected at the next organizational meeting or subsequent Board meeting. If any office becomes vacant, the Board shall elect a successor to fill the unexpired term at any meeting of the Board of Directors.

6.3 Removal and Resignation.

(a) Removal. Officers hold office at the pleasure of the Board of Directors. When in the judgment of the Board of Directors the best interest of the Association will be served, by an affirmative vote of a majority of directors, any officer may be removed. The removal of an officer is without prejudice to the contract rights, if any, of the officer so removed.

(b) Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the president or secretary. Any resignation is effective upon receipt of the notice or at any later time specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation is not necessary except that the Board may reject a post-dated resignation by notice in writing to the resigning officer. The effectiveness of a resignation does not prejudice the contract rights, if any, of the Association against the officer resigning.

6.4 President. The president is the chief executive officer of the Association and has, subject to the controls of the Board of Directors, the Act or other law, general supervision, direction and control of the business and affairs of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. The president has all of the general powers and duties which are usually vested in the office of president of an association and has such other powers and duties as may be prescribed by these Bylaws or resolution of the Board of Directors.

6.5 Vice President. The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of the president. The vice president shall
also exercise such other powers and perform such other duties as are prescribed by resolution of the Board of Directors.

6.6 **Secretary.**

(a) The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association and of the Board of Directors. The Secretary shall give or cause to be given such notice of meetings of the Association and the Board of Directors as is required by these Bylaws or by law.

(b) The secretary shall have custody of all books, records and papers of the Association except those which are in the care of the treasurer or other person designated in a resolution of the Board of Directors. The secretary shall, in general, perform all the duties incident to the office of secretary and have such other powers and perform such other duties as may be prescribed by these Bylaws or resolution of the Board of Directors.

(c) The secretary shall act as vice-president, taking the place of the president and performing the president's duties whenever the president is absent or unable to act, unless the Directors have appointed another vice-president.

6.7 **Treasurer.** The treasurer shall:

(a) Have responsibility for the Association's funds and securities not otherwise held by the managing agent.

(b) Keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements.

(c) Be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board of Directors. He or she shall disburse the funds of the Association in accordance with these Bylaws or as may be directed by the Board.

(d) Perform all other duties incident to the office of treasurer of an association and have such other powers and perform such other duties as may be prescribed by these Bylaws or resolution of the Board of Directors.

6.8 **Execution of Documents: Checks.**

(a) **Documents.** All agreements, contracts, deeds, leases and other instruments of the Association, except checks and other evidences of indebtedness, shall be executed by such person or persons as may be designated by resolution of the Board of Directors. In the absence of a resolution applicable to any instrument, then the instruments shall be signed by the president.
(b) Checks, Drafts and Other Evidences of Indebtedness. Unless otherwise provided by resolution of the Board of Directors, all checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by the treasurer, or in the absence or disability of the treasurer, by the president.

6.9 Standards of Conduct. In the performance of their duties, officers shall be governed by ORS 65.377.

6.10 Compensation of Officers. No officer, except a managing agent, who is a member of the Board of Directors may receive any compensation from the Association for acting as an officer, unless the compensation is authorized by a binding vote of Owners under Section 3.11 above. The Board of Directors may fix any compensation to be paid to any officers who are not also directors.

ARTICLE 7
RULES AND REGULATIONS

7.1 Adoption of Rules and Regulations. Pursuant to the Act, in addition to the other provisions of the Declaration and these Bylaws, the Board of Directors from time to time may, by resolution, adopt, amend, or revoke such Rules and Regulations governing the conduct of persons and the operation and use of the Lots, Common Area and other Common Property as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Planned Community and the management and administration of the Association, including the interpretation of the Declaration, the Maintenance Agreement and these Bylaws.

7.2 Distribution of Copies. A copy of the Rules and Regulations, upon adoption, and a copy of each rule or regulation amendment or revocation, must be delivered by the secretary promptly to each Owner and is binding upon all Owners and occupants of all Lots from the date of delivery.

7.3 Modification by Members. Action by the Board under this article may be modified by vote of not less than seventy-five percent (75%) of the total votes present, in person or by proxy, at any meeting of the Association, the notice of which must have stated that the modification or revocation of rules will be under consideration.

ARTICLE 8
BUDGET & ASSESSMENTS

8.1 Budget.

(a) Adoption of Budget. The Board of Directors shall, from time to time and at least annually, prepare a budget for the Association in accordance with the Declaration and this article. If the Board fails to adopt an annual budget, the last adopted budget continues in effect.
(b) **Amended Budget.** A budget adopted under Subsection (a) of this section may be amended at anytime by the Board of Directors at any regular or special meeting of the Board.

(c) **Budget Summary.** Within thirty (30) days after adopting the annual budget for the Association and any amended budget, the Board of Directors shall provide a summary of the budget to all affected Owners.

8.2 **Reserve Account for Major Maintenance, Repair and Replacement.**

(a) **Establishment of the Reserve Account.** The Association may establish a reserve account for major maintenance and replacement of all items of Common Area and other Common Property which will normally require replacement in more than three (3) and less than thirty (30) years, for exterior painting if the Common Area includes exterior painted surfaces, for other items, whether or not involving Common Property, if the Association has responsibility to maintain the items and for such other items as may be required by the Declaration or these Bylaws. The reserve account need not include those items:

1. That could reasonably be funded from assessments for operating expenses; or

2. For which one or more Owners are responsible for maintenance and replacement under the provisions of the Declaration or these Bylaws.

(b) **Funding of Reserve Account.** The reserve account shall be funded by assessments against individual Lots assessed for maintenance of items for which the reserve account is established which sums shall be included in the regular periodic assessment for the Lots in accordance with the Declaration. The reserve portion of the assessment shall be based on the reserve study described in Subsection (c) of this section.

(c) **Determination of Reserve Account: Reserve Study.**

1. The Board of Directors annually shall conduct a reserve study, or review and update an existing study, to determine reserve account requirements and may:

   (A) Adjust the amount of payments as indicated by the study or update; and

   (B) Provide for other reserve items that the Board of Directors, in its discretion, may deem appropriate.

2. The reserve study shall include:

   (A) Identification of all items for which reserves are to be established;
(B) The estimated remaining useful life of each item as of the date of the reserve study;

(C) An estimated cost of maintenance, repair, or replacement of each item at the end of its useful life; and

(D) A 30-year plan for the maintenance, repair and replacement of common property with regular and adequate contributions, adjusted by estimated inflation and interest earned on reserves, to meet the maintenance, repair and replacement schedule.

(3) The 30-year plan specified in Paragraph (2)(D) of this subsection shall:

(A) Be appropriate for the size and complexity of the Common Areas and other Common Property.

(B) Address issues that include but are not limited to warranties and the useful life of the Common Areas and other Common Property.

(4) Within thirty (30) days after conducting the reserve study, the Board of Directors shall, provide to every owner a written summary of the reserve study and of any revisions to the 30-year plan adopted by the Board as a result of the reserve study.

(d) **Use of Reserve Account.**

(1) The reserve account may only be used for the purposes for which the reserves have been established and must be kept separate from other funds.

(2) The Board of Directors may borrow funds from the reserve account to meet high seasonal demands on the regular operating funds or to meet unexpected increases in expenses if the Board has adopted a resolution, which may be an annual continuing resolution, authorizing the borrowing of funds.

(3) Not later than the adoption of the budget for the following year, the Board of Directors shall adopt by resolution a written payment plan providing for repayment within a reasonable time of any unpaid borrowed funds.

(4) The reserve account may be invested by the Board of Directors subject to normal prudent investment standards.

(e) **Reduction, Increase or Elimination of Account.** In addition to the authority of the Board of Directors under Subsection (c) of this section:

(1) By an affirmative vote of at least seventy-five percent (75%) of the Owners, the Association may elect to reduce or increase future Assessments for the reserve account; and
(2) The Association may, on an annual basis by a unanimous vote, elect not to fund the reserve account.

(f) **Reserve Fund Association Property.** Assessments paid into the reserve account are the property of the Association and are not refundable to Owners. Owners may treat their outstanding share of the reserve account as a separate item in any agreement for the sale of their Lots.

8.3 **Budget Summary and Statement of Assessments.**

(a) **Statement of Assessments Payable.** The Board of Directors shall advise each Owner in writing of the amount of assessments payable by the Owner. The Board shall promptly provide any Owner who makes a request in writing with a written statement of the Owner’s unpaid assessments.

(b) **Budget Summary.** Within thirty (30) days after adopting the annual budget and any amended budget, the Board of Directors shall provide a summary of the budget on which Assessments are based to all Owners in accordance with Section 8.1 above. The Board shall promptly provide any Owner who makes a request in writing with a copy of the budget and, if requested, to the Owner’s Mortgagee.

(c) **Statement of Assessment Account.**

(1) Subject to Paragraph (2) of this subsection, within ten (10) business days of receipt of a written request by an Owner to provide a Statement of Assessment Account, the Board of Directors shall provide a statement which contains the following information:

(A) The amount of assessment due from the Owner and unpaid at the time the request was received, including:

(i) Regular and special Assessments;

(ii) Fines and other charges;

(iii) Accrued interest; and

(iv) Late payment charges.

(B) The percentage rate at which interest accrues on assessments that are not paid when due.

(C) The percentage rate used to calculate the charges for late payments or the amount of a fixed charge for late payment.
(2) The Association is not required to comply with Paragraph (1) of this subsection if the Association has commenced litigation.

(d) Statement for Prospective Purchasers.

(1) Subject to paragraph (2) of this subsection, in a voluntary conveyance of a Lot, the grantee is jointly and severally liable with the grantor for all unpaid assessments against the grantor of the Lot to the time of the grant or conveyance, without prejudice to the grantee’s right to recover from the grantor the amount paid by the grantee.

(2) Upon request of an Owner or Owner’s agent, for the benefit of a prospective purchaser, the Board of Directors shall make and deliver a written statement of the unpaid assessments against the prospective grantor of the Lot effective through a date specified in the statement, and the grantee in that case is not liable for any unpaid assessments against the grantor not included in the written statement.

8.4 Remedies of the Association for Non-payment of Assessments. In addition to any other remedies under the Declaration or these Bylaws, if an assessment levied by the Association is not paid within thirty (30) days after its due date (as established by resolution of the Board of Directors) the assessment is delinquent and is subject to such interest, late charges and collection costs as may be provided in a resolution adopted by the Board of Directors pursuant to ORS 94.630(n) and 94.709(5) and the Declaration.

ARTICLE 9
MAINTENANCE OF COMMON PROPERTY

9.1 The Association shall perform all maintenance upon the Common Property in accordance with the Declaration, the Maintenance Agreement and these Bylaws, including without limitation, landscaping, irrigation, walks, foot entrance monuments, gates, fences, walls, signs, parking areas and trails.

9.2 The areas shall be maintained in attractive condition and in a good and workmanlike manner to render them fit for the purposes for which they are intended.

9.3 The cost of the maintenance under this subsection shall be assessed to Owners in accordance with Section 8.5 above.
ARTICLE 10
INSURANCE

10.1 Insurance by Association. The Board of Directors shall obtain and maintain at all times and shall pay as a common expense, except as otherwise provided in this article, the insurance, to the extent available at reasonable cost, specified in this section.

(a) Property Damage Insurance.

(1) The Association shall obtain and maintain a policy or policies of insurance covering loss or damage from fire, with standard extended coverage and "all risk" endorsements and such other coverage as the Association may deem desirable.

(2) The amount of coverage shall be for not less than one hundred percent (100%) of the current replacement cost of the improvements on Common Areas and any other Common Property (exclusive of land, foundation, excavation, and other items normally excluded from coverage), subject to a reasonable deductible.

(3) The policy or policies shall include all fixtures and building service equipment to the extent that they are part of Common Areas or other Common Property and all personal property and supplies belonging to the Association.

(b) Liability Insurance.

(1) The Association shall obtain and maintain comprehensive general liability insurance coverage insuring the Association, the Board of Directors and the managing agent, if any, against liability to the public or Owners and their invitees or tenants incident to the operation, maintenance, ownership, or use of the Common Area or other Common Property, including legal liability arising out of lawsuits related to employment contracts of the Association. There may be excluded from the policy or policies coverage of an Owner (other than as a member of the Association or the Board of Directors) for liability arising out of acts or omissions of the Owner and liability incident to the ownership or use of the part of the property as to which the Owner has the exclusive use or occupancy.

(2) Limits of liability under the insurance maintained under this subsection may not be less than One Million Dollars ($1,000,000.00) on a combined single limit basis.

(3) Insurance policies obtained under this subsection shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies may not be prejudiced as respects his, her or their action against another named insured.

(c) Workers' Compensation Insurance. The Association may obtain and maintain worker's compensation insurance to the extent necessary to comply with any applicable laws.
(d) **Fidelity Insurance.**

(1) The Board of Directors may cause the Association to obtain and maintain blanket fidelity bonds for all officers, directors, trustees, and employees of the Association and all other persons handling or responsible for funds of, or administered by, the Association. If the Association has retained a management agent, the Board of Directors may require the agent to maintain fidelity bonds for its officers, employees, and agents handling or responsible for funds of, or administered on behalf of, the Association.

(2) The total amount of fidelity bond coverage required shall be based upon the best business judgment of the Board of Directors.

(3) The fidelity bond must name the Association as obligee and contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The bonds must provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Association.

(e) **Directors' and Officers' Liability Insurance.** The Association shall obtain and maintain a policy of directors' and officers' liability insurance with coverage in the amount of not less than One Million Dollars ($1,000,000.00), subject to a reasonable deductible.

10.2 **Insurance by Owners.**

(a) Each Owner is responsible for obtaining, at his or her own expense, insurance covering Owner's property not insured under Section 10.1(a) above and insurance covering Owner's liability not covered under Section 10.1(b) above.

10.3 **Contribution Prohibition.** Insurance maintained by the Association may not be brought into contribution with insurance bought by Owners and their mortgagees.

**ARTICLE 11**

**AMENDMENTS TO BYLAWS**

11.1 **How Proposed.** Amendments to the Bylaws may only be proposed by either a majority of the Board of Directors or by Owners holding at least thirty percent (30%) of the voting rights. The proposed amendment must be reduced to writing and must be included in the notice of any meeting at which action is to be taken thereon.

11.2 **Adoption.** Amendments may be approved by the Association at a meeting of the Association or ballot meeting conducted for such purpose under Section 3.12 above or by action without a meeting under Section 3.13 above. A vote of at least a majority of the Owners is required for approval of any amendment except no amendment may be inconsistent with the Declaration or the Maintenance Agreement unless the document is also amended.
11.3 **Execution and Recording.** An amendment is not effective until certified by the president and secretary of the Association as being adopted in accordance with these Bylaws and the applicable provisions of the Act, is acknowledged and recorded in the Deed Records of Yamhill County, Oregon.

**ARTICLE 12**

**ASSOCIATION RECORDS AND ACCOUNTS**

12.1 **General Records.**

(a) The Board of Directors and managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and managing agent or manager; minutes of the meetings of the Board of Directors; and minutes of the meeting of the Association.

(b) The Board of Directors shall maintain a Book of Resolutions containing the rules, regulations and policies adopted by the Association and the Board of Directors.

(c) To the extent feasible, the Board of Directors shall maintain a list of Mortgagees of Lots.

(d) The Association shall retain within this state the documents, information and all other records of the Association for not less than the period specified in ORS 65.771 or any other applicable law, except that:

1. The documents described in ORS 94.616(3)(o), if available, must be maintained as permanent records of the Association.

2. Proxies and ballots must be retained for at least one (1) year from the date of determination of the vote.

12.2 **Financial Records and Accounts.**

(a) The Board of Directors or its designee shall keep within this state financial records sufficient for proper accounting purposes. All assessments shall be deposited in a bank account, located in this state, if required under ORS 94.670, in the name of the Association. All expenses of the Association shall be paid from the Association's bank account.

(b) The Association shall maintain two (2) primary accounts and such other accounts as the Board of Directors deems necessary to manage the Association’s funds. The accounts shall be identified as the:

1. General Operating Expense Account.

2. Reserve Account or Reserve Accounts for major maintenance and replacement as provided in Article 8 above.
(c) The Board shall cause to be allocated to the accounts specified in Subsection (b) of this section those amounts from assessments deemed necessary by the Board for the purposes set forth in the Article 5 of the Declaration and these Bylaws.

12.3 **Assessment Roll.** The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Lot. The account shall designate the Lot number, the name and address of the Owner or Owners, the amount of each assessment against the Owners, the dates and amounts in which the Assessment comes due, the amounts paid upon the account, and the balance due on the Assessments.

12.4 **Fiscal Year.** Unless otherwise provided by resolution adopted by the Board of Directors, the fiscal year of the Association shall begin on the first day of January and end on December 31 of each calendar year.

12.5 **Financial Reports and Audits.**

(a) **Annual Financial Statement.** Within ninety (90) days after the end of the fiscal year, the Board of Directors shall:

1. Prepare or cause to be prepared an annual financial statement consisting of a balance sheet and income and expenses statement for the preceding fiscal year; and

2. Distribute to Owners a copy of the annual financial statement and to all mortgagees of Owners who have requested a copy in writing.

(b) **Review of Annual Financial Statement.** If required by ORS 94.670, the Board of Directors shall cause the financial statement required under Subsection (a) of this section to be reviewed by an independent certified accountant licensed in this state as provided in ORS 94.670.

(c) **Audit of Books and Records.** From time to time the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies of the audit to the Owners and mortgagees of Lots. At any time any Owner or mortgagee may, at the Owner’s or mortgagee’s own expense, cause an audit, review, compilation or other financial examination to be made of the books and records of the Association.

12.6 **Inspection of Records by Owners.**

(a) Except as provided in ORS 94.670, all documents and records of the Association shall be reasonably available for examination by an Owner and any mortgagee of a Lot pursuant to rules adopted by resolution of the Board of Directors.

(b) In accordance with ORS 94.670, the Board of Directors shall maintain a copy, suitable for the purposes of duplication, of the following:
(1) The Declaration and Bylaws and any amendments or supplements thereto, the recorded plat, if feasible, and Rules and Regulations of the Association currently in effect.

(2) The most recent financial statement prepared pursuant to ORS 94.670(3).

(3) The current operating budget of the Association.

(4) The reserve study described in Section 8.2 above.

(5) Architectural standards and guidelines, if any.

(6) Any other records required by ORS 94.670.

(c) The Association, within ten (10) business days after receipt of a written request by an Owner, shall furnish the requested information required to be maintained under Subsection (b) of this section.

(d) The Board of Directors, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of any documents, information or records described in this section. The fee may include reasonable personnel costs incurred to furnish the information.

12.7 Notice of Sale, Rental or Mortgage. Immediately upon the sale or mortgage of any Lot, the Owner shall promptly inform the secretary or manager of the name and address of the purchaser, vendee or mortgagee.

ARTICLE 13

COMPLIANCE AND ENFORCEMENT

13.1 Compliance. Each Owner, tenant or occupant of a Lot, shall comply with the provisions of the Declaration, the Maintenance Agreement, the Bylaws, Rules and Regulations, and the applicable provision of the Act.

13.2 Remedies of Association.

(a) Subject to Section 13.3 below, violation of, or failure to comply with, any provision of the Declaration, the Maintenance Agreement, the Bylaws, or Rule and Regulations or any decision of the Association made pursuant to such documents, or applicable provisions of the Act gives the Board of Directors, acting on behalf of the Association, the rights set forth in Article 5 of the Declaration, or in any other provision of the Declaration, the Maintenance Agreement, the Bylaws or under law.
13.3 Disputes Between Association and Owners.

(a) Subject to Subsection (f) of this section, in accordance with ORS 94.630(4), before initiating litigation or an administrative proceeding in which the Association and an Owner have an adversarial relationship, the party that intends to initiate litigation or an administrative proceeding shall offer to use any dispute resolution program available within Yamhill County, Oregon, that is in substantial compliance with the standards and guidelines adopted under ORS 36.175. The written offer must be hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Association for the other party.

(b) If the party receiving the offer does not accept the offer within ten (10) days after receipt by written notice hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Association for the other party, the initiating party may commence the litigation or the administrative proceeding. The notice of acceptance of the offer to participate in the program must contain the name, address and telephone number of the body administering the dispute resolution program.

(c) If a qualified dispute resolution program exists within Yamhill County, Oregon, and an offer to use the program is not made as required under Subsection (a) of this section, litigation or an administrative proceeding may be stayed for thirty (30) days upon a motion of the noninitiating party. If the litigation or administrative action is stayed under this subsection, both parties must participate in the dispute resolution process.

(d) Unless a stay has been granted under Subsection (c) of this section, if the dispute resolution process is not completed within thirty (30) days after receipt of the initial offer, the initiating party may commence litigation or an administrative proceeding without regard to whether the dispute resolution is completed.

(e) Once made, the decision of the court or administrative body arising from litigation or an administrative proceeding may not be set aside on the grounds that an offer to use a dispute resolution program was not made.

(f) The requirements of this section do not apply to circumstances in which irreparable harm to a party will occur due to delay or to litigation or an administrative proceeding initiated to collect Assessments, other than Assessments attributable to fines.

13.4 Disputes Among Owners.

(a) Referral to Board of Directors. Any dispute among Owners concerning the provisions of the Declaration, the Bylaws or any rule or regulation adopted by the Board of Directors may be referred in writing to the Board of Directors for resolution.

(b) Action by Board. The Board of Directors, in its sole discretion, has the option to hear the dispute or to decline to hear the dispute. The Board's decision not to hear a dispute is effective either upon written notice to the Owners involved or if no notice is given by
the Board, thirty (30) days after receipt by the Board of the written referral. If the Board chooses to hear the dispute, any decision by the Board is binding upon the parties.

13.5. Action by Owners. Subject to Section 13.3 above, an aggrieved Owner may bring an action against another Owner or the Association to recover damages or to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

13.6 Injunctive Relief. Subject to Section 12.3 above, nothing in this article prevents an Owner, the Association, or other interested party from resort to a court of competent jurisdiction in those instances where injunctive relief may be appropriate.

ARTICLE 14
GENERAL PROVISIONS

14.1 Notices.

(a) Association. All notices to the Association or the Board of Directors must be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may designate from time to time.

(b) Owners. Except as otherwise provided in these Bylaws or law, all notices to an Owner must be directed to such address as may have been designated by him or her, from time to time, in writing to the Board of Directors, or if no address has been designated, then to the Owner’s Lot. If a Lot is jointly owned or has been sold under a land sale contract of sale, notice must be sent to a single address, of which the secretary has been notified in writing by the parties. If no address has been given to the secretary in writing, then mailing to the Lot is sufficient.

14.2 Waiver, Precedent and Estoppel. No restriction, condition, obligation or provision contained in these Bylaws or Rules and Regulations may be deemed to have been abrogated or waived by the Association by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur. Any failure to enforce the same may not be deemed to constitute precedent or estoppel impairing the right of the Association as to any similar matter.

14.3 Invalidity; Number; Captions; Construction. The invalidity of any part of these Bylaws does not impair or affect in any manner the validity, enforce ability or effect of the balance of these Bylaws. As used in these Bylaws, the singular includes the plural and the plural the singular and "may not" and "shall not" are equivalent expressions of an absolute prohibition. The masculine and neuter each include the masculine, feminine and neuter, as the context requires. All captions used in these Bylaws are intended solely for convenience of reference and in no way limit any of the provisions of these Bylaws.
14.4 **Conflicts.**

(a) These Bylaws are intended to comply with the applicable provisions of the Act, the Nonprofit Act, and the Declaration. In case of any irreconcilable conflict, the acts, subject to ORS 65.959 and 94.770, and the Declarations control over these Bylaws or any Rules and Regulations as provided in ORS 94.770.

(b) In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles control to the extent consistent with the Act and the Nonprofit Act.

Fenway Park Homeowner’s Association

By: [Signature]

President

By: [Signature]

Secretary
CERTIFICATION

The undersigned President and Secretary of Fenway Park Homeowner's Association hereby certify that the within Amended and Restated Bylaws have been approved by the owners in accordance with Article Nine of the Bylaws and ORS 94.625.

Fenway Park Homeowner's Association, an Oregon Corporation

By: [Signature]
President

By: [Signature]
Secretary

STATE OF OREGON )
) ss
County of Washington )

The foregoing instrument was acknowledged before me this 1st day of August 2007 by Robert Cardinal, President, and Carleen Johnson, Secretary, of Fenway Park Homeowner's Association, an Oregon nonprofit corporation, on its behalf.

[Signature]
Notary Public for Oregon

My Commission Expires: July 25, 2010
SURVEYOR'S CERTIFICATE

I, Matt Dunkel, do hereby certify that I have correctly surveyed and marked with proper monuments the land hereon shown as FENWAY PARK AT OAK KNOLL, which is that tract of land described in deed from FRIDA SASK诗歌 a Trust to the N.E.W. on the west side of the north boundary line of PCL 1911-2 A; in accordance with the attached map and more particularly described in the Surveyor's Certificate and herein caused said lands to be surveyed and monuments to be placed and noted as shown on the map. All monuments are in good condition and in place as shown on the map, and are protected from the elements and tampering. This property is subject to a maintenance agreement.

CURTIS D. MAUER, manager, ZIMB & INVESTMENT COMPANY, L.L.C., on Oregon Limited Liability Company, Development Manager.

ACKNOWLEDGMENT

STATE OF OREGON

COUNTY OF YAMHILL

On this 16th day of May, 2003, personally appeared before me, a Notary Public for the State of Oregon, CURTIS D. MAUER, a representative of and a member of, ZIMB & INVESTMENT COMPANY, L.L.C., on Oregon Limited Liability Company, who executed the foregoing instrument on behalf of ZIMB & INVESTMENT COMPANY, and who did say that he executed said instrument freely and voluntarily.

YAMHILL COUNTY CLERK

This is an exact copy of the original subdivision plat of FENWAY PARK AT OAK KNOLL.

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NARRATIVE

The purpose of this survey is to subdivide Parcel I of Portion 199-16 as shown. The north line of said Parcel is shown as the same coordinate system on OAK KNOLL. The dead dimensions do not vary with the survey's position. This survey is set up on the same coordinate system as OAK KNOLL. All monuments are in good condition and in place as shown on the survey. All monuments are protected from the elements and tampering.

Legend

- = monument found, flush to 0.25" down, in good condition unless otherwise identified, and still clear as shown.
+ = monument found, flush to 0.25" down, in good condition unless otherwise identified, and still clear as shown.
- = set 5/8" rod with yellow plastic cap marked "Dunkel NL1942," and still clear as shown.
X = set 5/8" iron rod with yellow plastic cap marked "Dunkel NL1942," and still clear as shown.
(----) = date of record
--- = easement
= = monument origin unknown or unrecorded
= = = = = = Vehicular access is prohibited along this portion of the lot line.

Sheet 3 of 3