

## RECORDING COVER SHEET

Any errors in this cover sheet DO NOT affect the transactions(s) contained in the instrument itself.

AFTER RECORDING RETURN TO:

*Clerk's Vault*

UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO THE FOLLOWING ADDRESS (only for instruments conveying or contracting to convey fee title to any real estate):

*4488 SE Jerry Drive  
Prineville OR 97754*

NAME(S) OF TRANSACTION(S):

*REstated Bylaws*

GRANTOR (DIRECT) or  
CLAIMANT (PLAINTIFF)  
OWNER

*High Desert Estates Homeowners Assn., Inc*

GRANTEE (INDIRECT) or  
DEBTOR (DEFENDANT)  
SECURITY INTEREST HOLDER

TRUE AND ACTUAL CONSIDERATION PAID (only for instruments conveying or contracting to convey fee title to any real estate):

\$

THE AMOUNT OF THE CIVIL PENALTY OR THE AMOUNT, INCLUDING PENALITIES, INTEREST AND OTHER CHARGES, FOR WHICH THE WARRANT, ORDER OR JUDGMENT WAS ISSUED (for instruments to be recorded in Lien Records):

\$

Crook County Official Records **2009-234200**  
DEED-BYLAW  
Cnt=1 Stn=6 CCOUNTER **04/24/09 10:40 AM**  
\$115.00 \$11.00 \$5.00 \$10.00 **\$141.00**



01048624200902342000230237

I, Deanna Berman, County Clerk for Crook County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.

*Deanna Berman*



For recorder's use only

RESTATED BYLAWS  
OF  
HIGH DESERT ESTATES HOMEOWNERS ASSOCIATION, INC.

These Restated Bylaws of High Desert Estates Homeowners Association are made this 18<sup>th</sup> day of April, 2009, by High Desert Estates Home Owners Association, an Oregon Nonprofit Corporation (Association) as Amended.

RECITALS

A. High Desert Estates Subdivision is located in Crook County, Oregon, established pursuant to the following documents:

Phase I, Plat Map # 106093, Recorded October 15, 1992,  
Declaration of Protective Covenants, Recorded October 19, 1992;  
Phase II, Plat Map # 112493, Recorded December 1, 1993,  
Declaration of Protective Covenants, Recorded November, 23, 1993;  
Phase III, Plat Map # 125339, Recorded January 24, 1996,  
Declaration of protective Covenants, Recorded, January 25, 1996;  
Phase IV, Plat Map #1481854, Recorded June 29, 1998,  
Declaration of Protective Covenants, Recorded July 28, 1998;  
Phase V, Plat Map #149983, Recorded July 22, 1999,  
Declaration of Protective Covenants, Recorded July 23, 1999;  
Phase VI, Plat Map # 159068, Recorded November 27, 2000,  
Declaration Protective Covenants, Recorded November 27, 2000,  
in the Plat Records of Crook County, Oregon.

B. High Desert Estates Subdivision 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.

C. Association is the association of owners formed pursuant to the Declarations and ORS Chapter 65, the Oregon nonprofit law then in effect, the articles of incorporation of which were filed April 15, 1993, and as amended November 21, 2007, in the office of the Oregon Corporation Commissioner.

D. The Association is now subject to ORS Chapter 65, the current Oregon Nonprofit Corporation Act, and the Oregon Planned Community Act to the extent provided for under ORS 94.572.

NOW, THEREFORE, pursuant to ORS 94.630(1) (a) and 65.061, the Board of Directors, on behalf of the Association, adopts the Bylaws set forth below.

ARTICLE I  
DEFINITIONS

When used in these Bylaws the following terms shall have the following meanings:

1.1 "Articles of Incorporation" means Articles of Incorporation of the High Desert Estates Home Owners Association filed as amended on November 21, 2007, in the office of the Oregon Corporation Commissioner.

1.2 "Assessment" means any charge imposed or levied by the Association on or against any Owner or Lot pursuant to the provisions of the Declarations or these Bylaws, or the provision of ORS 94.550 to 94.783.

1.3 "Association" means High Desert Estates Property Owners Association or "Corporation" as defined under Article 1 of the Declaration.

1.4 "Association Property" means any real property or interest in real property located in High Desert Estates Subdivision which is acquired, held, maintained or possessed by the Association.

1.5 "Budget" means a planning tool for determining estimated annual expenses.

1.6 "Bylaws" means these Bylaws as they may be amended from time to time.

1.7 "Common Expenses" means expenditures made by or financial liabilities incurred by the Association.

1.8 "Common Property" means any real property or interest in real property within High Desert Estates which is owned, maintained, held or leased by the Association or owned as tenants in common by the lot owners.

1.9 "Declaration" means Declaration of Protective Covenants, for Phases I through VI in the Records of Crook County, Oregon.

1.10 "Lot" means a lot numerically designated on the plats of High Desert Estates Phases I through VI in the Plat records of Crook County, Oregon.

1.11 "Mortgage" and "Mortgagee" mean, respectively, a recorded mortgage, trust, deed, or contract of sale and the holder, beneficiary, or vendor or such instrument.

1.12 "Percent of Owners or "Percentage of Owners means the percent of the voting rights allocated under Section 3.1 below.

1.13 "Subdivision" or "Community" means High Desert Estates Subdivision, Phase I through VI as Recorded in the Plat Records of Crook County, Oregon.

1.14 Incorporation By Reference. Except as otherwise provided in these Bylaws, each of the terms used in these Bylaws that are defined in ORS 94.550, a part of the Oregon Planned Community Act, shall have the means set forth in such section unless the context clearly indicates a different meaning.

## ARTICLE II PLAN OF OWNERSHIP; DEFINITIONS

2.1 Name & Location. These are the Bylaws of High Desert Estates Homeowners Association, Inc. High Desert Estates is a Class II Planned Community, consisting of 172 lots, located in Crook County, Oregon, subject to those provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) specified in ORS 94.572.

2.2 Purposes. The Association is formed under the provisions of the Declarations and the Oregon Planned Community Act to serve as the means through which the Owners may take action with regard to administration, management, and operation of the subdivision.

2.3 Powers and Duties. The Association shall have such powers and duties as may be granted to it by the Oregon Planned Community Act, including each of the powers set forth in ORS 94.630 as such statute may be amended to expand the scope of association powers, together with such additional powers and duties afforded by the Declarations, these Bylaws, Articles of Incorporation and the Oregon Nonprofit Corporation Act, Chapter 65.

2.4 Applicability of Bylaws. The Association and all Owners and all persons using High Desert Estates property shall be subject to these Bylaws and to all rules and regulations which may be promulgated hereunder.

2.5 Composition of the Association. The Association shall be composed of all the lot Owners in the Subdivision and the Association, itself, to the extent it owns any lot or lots in the Subdivision.

## 2.6 Incorporation.

(a) The Association shall be incorporated under the Oregon Nonprofit Corporation Act. The Articles of Incorporation shall be consistent with the Declarations and these Bylaws, and these Bylaws shall constitute the Bylaws of the incorporated Association. The name of the Association shall be High Desert Estates Homeowners Association, Inc.

(b) In the event the Association shall at any time be 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 shall thereupon automatically vest in the successor unincorporated association; which 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 III VOTING

3.1 Voting. Each lot shall be allocated one vote in the affairs of the Association as provided in the Articles of Incorporation. The Board of Directors shall be entitled to vote on behalf of any Lot which has been acquired by or on behalf of the Association, except the Board of Directors shall not be entitled to vote such Lots in any election of officers.

## 3.2 Determination of Membership in the Association.

(a) Upon recording of a conveyance or contract to convey a Lot, the grantee or purchaser named in the conveyance shall automatically be a member of the Association and shall remain a member of the Association until such time as the person's ownership ceases for any reason. The rights, obligations and other entitlements granted to or imposed upon an owner commence upon acquisition of the ownership of a Lot and terminate upon disposition of ownership, but termination of ownership shall not discharge an owner from obligation incurred prior to termination.

(b) Ownership shall be determined, for all purposes of the Declarations of these Bylaws, and the administration of the Planned Community, from the record of ownership maintained by the Association. The record shall be established by a copy of the deed or land sale contract for the Lot of the recording officer of Crook County, Oregon, showing the date and place of recording of the deed or contract.

## 3.3 Proxies, Absentee Ballots.

### (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 shall be in writing, dated

and signed by such owner and shall be filed with the secretary in accordance with procedures adopted by resolution of the Board of Directors.

(2) No proxy shall be 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 a year after the date of execution.

(3) No proxy shall be valid if it purports to be revocable without notice.

(4) An owner may not revoke a proxy given except by actual notice of revocation to the person residing over a meeting of the Association.

(5) Every proxy shall automatically cease 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.

### 3.4 Fiduciaries and Joint Owners.

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

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

### 3.5 Quorum of Owners.

(a) At any meeting of the Association, owners holding twenty percent (20%) of the voting rights, present in person or by proxy, or absentee ballot if permitted under Section 3.3 above, shall constitute a quorum.

(b) The subsequent ratification of an owner as a voting member, in the action taken at a meeting shall constitute the presence of the person for the purpose of determining a quorum. When a quorum is once present to organize a meeting it cannot be broken by the subsequent withdrawal of an owner or owners.

(c) If any meeting of members cannot be organized because of a lack of quorum, the members who are present; either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. For each adjourned meeting, the quorum requirement shall be reduced by one-fourth ( $\frac{1}{4}$ ) of the quorum requirement of the previous meeting.

3.6 Binding Vote. The vote of the holders of more than fifty percent (50%) of the voting rights present, in person or by proxy or absentee ballot if permitted under Section 3.3(b) above, at a meeting at which a quorum is constituted shall be binding for all purposes.



ARTICLE IV  
MEETINGS OF THE ASSOCIATION

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

4.2 Annual Meetings. The Association shall hold at least one meeting of the owners each calendar year. The annual meetings of the Association shall be held on or about June 1<sup>st</sup> of each year at such hour as the president may designate. The annual meetings shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

4.3 Special Meetings. Special meetings of the Association may be called by the president or secretary or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from at least ten percent (10%) of the Owners stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

4.4 Notice of Meetings.

(a) Notice of all meetings of the Association stating the date, time and place and the objects for which the meeting is called, shall be given by the president or secretary. All notices shall be in writing and mailed to each owner at his or her address as it appears on the books of the Association, such notice to be in writing not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting, except as otherwise provided in the Declaration.

(b) Proof of such mailing shall be given by the affidavit of the person giving the notice.

(c) Notice of the meetings may be waived by any owner before or after meetings.

(d) When a meeting is adjourned 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.

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

- (a) Call of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees, if any;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment.

4.6 Meeting Procedure. Unless other rules of order are adopted by Resolution of the Board of Directors;

(a) Meeting of the Association shall be conducted according to the latest edition of Robert's Rules of Order published by Robert's Rules 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 year after the decision is made unless the error appears on the face of a written instrument memorializing the decision.

## ARTICLE V BOARD OF DIRECTORS

### 5.0 General Powers

The Board of Directors shall manage the business and affairs of the Association and shall perform those duties and responsibilities set forth in the Declaration.

### 5.1 Number and Qualification.

(a) Number. The affairs of the Association shall be governed by a Board of Directors composed of a maximum of five (5) directors as provided in Sec. 5.2 below.

(b) Qualifications. All directors shall be an owner or co-owner of a Lot. However, multiple owners of the same lot may not serve as directors simultaneously.

### 5.2 Election and Term of Office.

(a) Each director shall be elected by the members of the Association for a term of three (3) years, with the President's, Treasurer's and Secretary's terms expiring on consecutive years. An election for a period of less than three years will be held to keep the expiration of these positions staggered. Election shall be by plurality, and shall hold office until the election and qualification of his or her successor.

(b) The officers of the Association shall be the President, Secretary, and Treasurer. The Board may create such other offices as it deems necessary. The office of Secretary and Treasurer may be held by the same person.

5.3 Vacancies. Vacancies of the Board of Directors, caused by any reason other than the removal of the director by a vote of the Association pursuant to Section 5.4 below, shall be filled for the balance of the term of each directorship by vote of the majority of the remaining directors even though they may constitute less than a quorum. Each person so elected shall be a director until the next annual membership meeting when a member shall be elected to complete that particular term of office.

### 5.4 Removal of Directors.

(a) Any director who ceases to be a member of the Association shall automatically cease to be a director and that position shall be filled as provided in these Bylaws.

(b) At any annual or special meeting, any one or more of the directors may be removed, with or without cause by a majority of the owners present in person or by proxy, at a duly constituted meeting and a successor may be elected at that meeting or any other duly constituted meeting of the Association to fill the vacancy thus created. The notice of any such meeting shall state that the removal is to be considered. Any director whose removal has been proposed by the Owners may be given an opportunity to be heard at the meeting.

**5.5 Other duties.** In addition to duties imposed by the Declaration, these Bylaws or by Resolutions of the Association, the Oregon Planned Community Act, as it may be amended from time to time to increase the scope of the Association powers, the Oregon Nonprofit Corporation Act or other applicable law, the Board of Directors shall have authority to carry out and be responsible for the following matters:

(a) Maintenance of Common Property and Association Property. Care, upkeep, maintenance and supervision of any Common Property in accordance with the Declarations, these Bylaws;

(b) Association Accounts. Establishing and maintaining the accounts as described in Section 7.6 below;

(c) Assessment Collection. Designation and collection of assessments from the Owners in accordance with these Bylaws, the Declaration, and the Oregon Planned Community Act;

(d) Financial Statement. The preparation and distribution of annual financial statement of the Association to each owner at the annual members meeting;

(e) Enforcement. Enforcement by legal means of the provisions of the Declarations, these Bylaws and any Rules and Regulations adopted there under, the Oregon Planned Community Act, the legal requirements of all local, state and federal laws and regulations.

(1) File a law suit on behalf of and in the name of the Association;

(2) Disconnect the water from any residence that is in violation of any of the laws or regulations, and refuses to comply after being given written notice of such violation;

(3) Install, or cause to be installed any necessary cutoff valve or other device needed to enforce the legality and/or safety of the Association or its water service;

(4) Take any legal action or disconnect water service for repeated non-payment of water fees, after first giving the party a thirty (30) day written notice of pending action and allowing that party to appear before the Board to explain why such action should not be taken. The Board's decision is final and they shall not exercise this power for any reason not related to payment; or failure to comply with a mandated requirement;

(f) Insurance. Obtaining and maintaining insurance policies and payment of premiums therefore as more specifically provided in Article IX below. In addition, the Board of Directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interest of the Association or Owners;

(g) Insurance Review. At least annually, the review of the insurance coverage of the Association as provided in Article IX below;

(h) Annual Report. The filing of the Annual Report with the Oregon Secretary of State in Accordance with ORS Chapter 65;

(i) Income Tax Return. Preparation or causing to be prepared and filed any required income tax returns or forms;

(j) Copies of Documents. Compliance by the Association with ORS 94.670 relating to the maintenance of Association records and maintenance of copies suitable for duplication of the documents specified in ORS 94.670;



(k) Appointment of Committees. Establishment of such committees and appointment of members thereof pursuant to a Resolution of the Board of Directors, as the Board in its sole judgment deem necessary or appropriate to assist the Board in its duties.

5.6 Organizational Meeting. The first meeting of a newly-elected Board of Directors shall be held at the board members convenience at the earliest possible date. The Board may provide, by Resolution, the time and place for the holding of additional regular meetings without other notice than a Resolution.

5.7 Regular and Special Meetings. Regular meeting of the Board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Special meetings of the Board of Directors may be called by the president or secretary or on written request of at least two (2) directors. Notice of any regular or special meeting shall be given to each director, personally or by mail, including electronic mail if approved by the Board, telephone, or telegraph at least ten (10) days prior to the day named for the meeting and must state the time, place and purpose of the meeting.

5.8 Meeting Procedure. Unless other rules of order are adopted by Resolution of the Board of Directors:

(a) Meeting of the Board of Directors shall be conducted according to the last edition of Robert's Rules of Order;

(b) 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.

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

(d) Quorum. A majority of the number of directors constitutes a quorum for the transaction of business. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice until a quorum is present. If a quorum is present, any business may be transacted at the meeting originally called. The directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

(e) Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

(f) Informal Action by Directors. Any action required to be taken at a meeting of the directors may be taken without a formal meeting if a consent, in writing, setting forth the action so taken, is signed by all directors entitled to vote with respect to the subject matter thereof.

(g) Presumption of Assent. A director who is present at a meeting of the Board of Directors at which action of any Association matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered into the minutes of the meeting, or unless he files his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or forwards such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**5.9 Compensation of Directors.** The directors shall serve without compensation except that any director shall be entitled to compensation for out-of-pocket expenses incurred in the performance of his or her duties. All reimbursements made or authorized by the Board of Directors to any director shall be reported annually to the members.

**5.10 Directors to Adopt Administrative Rules and Regulations.** The Board of Directors may periodically adopt such administrative rules and regulations as may be necessary or desirable to govern the details of the operation, maintenance and use of the Common Property. They may, by such administrative rules and regulations, adopt restrictions and requirements with respect to the use and maintenance of High Desert Estates and the use and maintenance of the Common Property as are desirable to prevent unreasonable interference with their use on behalf of the members of the Association. All rules and regulations adopted by the Board of Directors shall be consistent with the Declarations, these Bylaws, the Articles of Incorporation, and the Oregon Nonprofit Corporation Act, Chapter 65.

**5.11 Open Meetings; Executive Sessions.**

(a) **Open Meetings.** Except as provided in Subsection (b) of this section, all meetings of the Board of Directors shall be open to lot owners. However, no owner shall have a right to participate in the Board of Directors meeting unless the owner is also a member of the Board. The president shall have the authority to exclude an owner who disrupts the proceedings at a Board meeting.

(b) **Executive Sessions.** In the discretion of the Board, 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;
- (5) Any other matters permitted under ORS 94.640 as it may be amended from time to time, and
- (6) CC&R Violations.

(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.

5.12 Standards of Conduct. In the performance of their duties, members of the Board of Directors shall be governed by ORS 94.640 and ORS 65.357, 65.361 and 65.369.

5.13 Liability & Indemnification of Directors, Officers;

(a) The directors and officers shall not be liable to the Association for any mistake of judgment, negligence, or otherwise except for this 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, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party or which 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; provided, however, there shall 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.

5.14 Fidelity Bond. The Board of Directors may require any person or entity, including but not limited to, employees of any professional manager, if any, who handles or is responsible for Association funds, to furnish such fidelity bond as the Board of Directors deem adequate. The premiums on such bonds shall be paid by the Association.

## ARTICLE VI OFFICERS

6.1 Designation and Qualification. The principal officers of the Association shall be a president, a secretary, and a treasurer, all of who shall be Owners or co-owners.

6.2 Election and 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 5.7 above, or any Board of Director's meeting thereafter to serve until their respective successors are elected at the next organization meeting. If any office becomes vacant by reason of death, resignation, removal disqualification or any other cause, the Board of Directors shall elect a successor to fill the unexpired term at any meeting of the Board of Directors.

6.3 Removal of Officers. Officers shall hold office at the pleasure of the Board of Directors. Upon an affirmative vote of a majority of the members of the Board of Directors any officer may be removed, either with or without cause.

6.4 President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of president of an association. Subject to the control of the Board of Directors, he shall supervise and control all of the business and affairs of the Association. When present, the president shall preside at all meetings of the Owners and the Board of Directors. He shall sign, with the Secretary or any other proper officer of the Association, all agreements and other instruments which the Board of Directors or members of the Association have authorized to be executed, except in cases where the signing and execution there shall be expressly delegated by the Board of Directors, by the Bylaws, or by the declaration of law to be otherwise signed or executed.

6.5 Secretary. The secretary shall keep the minutes of all meeting of the Board of Directors and the minutes of all meetings of the Association, have charge of such books and papers as the Board of Directors may direct, and in general, perform all of the duties incident to

the office of Secretary. The secretary shall serve all notices required by law, the Declarations, or Bylaws of the Association

**6.6 Treasurer.** The treasurer shall have the responsibility for the Association's funds and securities not otherwise held by a managing agent, if any, and shall be responsible for keeping full and accurate accounts of all receipts and disbursement in books belonging to the Association. The treasurer shall furnish, prepare and keep a full set of books of account, showing every detail of the business and the Association's accounts, all cash on hand, the amount of money owed by the Association or owing to it, such other information as may be, in the judgment of the treasurer pertinent, or such as may be required by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with the surety or sureties as the Board of Directors shall determine. The treasurer shall be responsible for the deposit of all monies and other valuable effects received 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.

**6.7 Directors as Officers.** Any director may be an officer of the Association.

**6.8 Compensation of Officers.** No officer who is a member of the Board of Directors may receive any compensation from the Association for acting as an officer. Except that any officer shall be entitled to compensation for out-of-pocket expenses incurred in the performance of his or her duties. The Board of Directors shall authorize all reimbursements and all reimbursements made or authorized to any officer shall be reported annually to the members.

**6.9 Standards of Conduct.** In the performance of their duties, officers shall be governed by ORS 94.640 and ORS 65.377.

## ARTICLE VII DETERMINATION OF COMMON EXPENSES

**7.1 Purpose.** This Corporation is formed for the primary purpose of maintaining a potable supply of water to all of the tax lots contained in the development called High Desert Estates.

**7.2 Assets.** All of the water facilities, including but not limited to, all water mains, transmission lines, distribution lines, pumping stations, reservoirs, storage facilities, valves, hydrants, wells, meters and other devices used to deliver water shall be owned by the Corporation.

**7.3 Payment for Water Facilities, Water Usage and Sanctions.** All members shall pay the Corporation for water in such manner and at such rate as the Board of Directors shall determine. Such rates and the water usage shall be in accordance with the High Desert Estates Covenants and Restrictions, filed in Crook County, Oregon.

**7.4 Fee Notice.** If the fee for the payment for the water facilities or the water use is not paid upon the required date, a notice shall be delivered to the member owning the property by personally delivering a copy of the notice to the member or by mailing a copy of the notice to the member by certified mail, return receipt requested. Such notice shall give the member no less than ten (10) days from the date of receipt to pay all amounts owing, and if the fees are not paid, then service to the member's property will be discontinued until the amount owing is so paid and there will be an additional fee of \$35.00 to reconnect service. If the fee amounts due are not paid within the time specified, member grants the Corporation, or its officers, directors, employees or agents, to disconnect the water service and member shall have no recourse against any such person.



## ARTICLE VIII ASSESSMENTS

### 8.1 Budget.

(a) Adoption. The Board of Directors shall, from time to time and at least annually, prepare a budget for the Association, estimate the Common Expenses expected to be incurred, less any previous over assessment. If the Board of Directors fails to adopt an annual budget, the last adopted budget shall continue in effect.

8.2 Determination of Assessments. The assessment of lots may include the following items which shall be Common Expenses:

(a) Expenses of Administration;

(b) Expenses of maintenance, repair, or replacement of roads; maintenance, repair, or replacement of the water system; or any other portions of the Planned Community required to be maintained by the Association pursuant to the Declarations or these Bylaws, or by law;

(c) Cost of insurance or bonds obtained in accordance with these Bylaws;

(d) Reserve for major maintenance and replacements if established under Section 8.7 below;

(e) Any deficit in Common Expenses for any prior period;

(f) The cost of utilities for Common Property or Association Property and other utilities that have a common meter that are commonly billed;

(g) Cost of maintenance, repair or replacement of Association Property as the Board may determine to be reasonable and in the best interests of the Association;

(h) Expenses permitted under Article VIII of the Articles of Incorporation;

(i) Any other items properly chargeable as an expense of the Association.

### 8.3 Assessment of Lots.

(a) The Board of Directors, on behalf of the association, may assess the Owners as necessary for Home Owners Dues. Common Expenses shall be allocated equally among all lots, unless excluded by previous contract.

(b) The amount of assessment for lots shall be reviewed annually and established and implemented by a Resolution of the Board of Directors.

### 8.4 Assessment of Water.

(a) The Board of Directors, on behalf of the Association, shall assess the Owners for water service and water usage as per Article 7.3. Charges assessed to the Owners shall be reviewed from time to time, established and implemented by Resolution of the Board.

### 8.5 Obligation to Pay Assessments.

(a) All lot owners shall be obliged to pay the following types of assessments



imposed by the Board of Directors on behalf of the Association pursuant to these Bylaws and the Declarations.

(1) Regular Assessments for the following:

(A) Operating Expenses permitted under Section 8.2 above relating to the operation of the Planned Community which expenses may include items other than those specified in Section 8.2 above.

(B) Reserve expenses if required under Section 8.7 below.

(2) Special or Extraordinary Assessments as provided in Section 8.8 below.

(3) Assessments for any other charges levied by the Association.

(b) Assessments may not be waived due to limited or non-use of Common Property or Association Property, and no lot owner may offset amounts owing or claimed to be owing by the Association to the owner against the owner's obligation to pay assessments.

**8.6 Association Accounts.** The Association shall maintain the following accounts and such other accounts as the Board of Directors deems necessary to manage the Association's funds. These accounts shall be identified as the:

(a) General Operating Expense Account ("Operating Account"); and

(b) Major Maintenance and Replacement Reserve Account ("Reserve Account") if required by 8.7 below.

(c) The above accounts shall have allocated to them, those amounts from Assessments deemed necessary by the Board for the purposes set forth in these Bylaws.

**8.7 Major Maintenance and Replacement Reserve Account.**

(a) Establishment of the Reserve Account. The Board may establish a Reserve Account for major maintenance and replacement of all items of Common Property or Association Property all of which would normally require replacement in more than three (3) or less than thirty (30) years, if the Association has responsibility to maintain the items and for such other items as may be required by the Declarations or these Bylaws. The amounts assessed shall take into account the estimated remaining life of the items for which the reserve is created and current replacement cost of such items. Reserve Accounts shall be governed by ORS 94.595. The Reserve Fund need not include those items:

(1) That could reasonably be funded from operating expenses; or

(2) For which one or more owners are responsible for maintenance and replacement under the provisions of the Declarations or these Bylaws.

(b) Funding of Reserve Account. Any Reserve Account established shall be funded by assessments against individual lots assessed for maintenance of items for which the reserve account is being established which sums may be included in periodic Assessment for the lots. Any Assessment for reserves shall be based on:

- (1) The reserve study described in Subsection (c) of this section; or
- (2) Other sources of reliable information.

(c) Determination of Reserve Account; Reserve Study.

(1) If a Reserve Account is established, the Board shall annually conduct a reserve study, or review or 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, 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 with regular and adequate contribution, adjusted by estimated inflation and interest earned on reserves, to meet the maintenance, repair and replacement schedule.

(d) Use of Reserve Fund.

(1) The Reserve Account shall be used only for the purposes for which the reserves have been established and is to be kept separate from other funds.

(2) The Board 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 shall adopt by Resolution a written payment plan providing for the repayment within in a reasonable time of any unpaid borrowed funds.

(4) The Reserve Account may be invested by the Board subject to normal prudent investment standards.

(e) Reduction, Increase or Elimination of Fund. If a Reserve Account has been established, the Association may:

(1) By affirmative vote of at least a majority of a quorum of the Owners, at a duly constituted meeting, elect to reduce or increase future assessments for the Reserve Account; and

(2) 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 shall be the property of the Association and are not refundable to owners.

**8.8 Special or Extraordinary Assessments.** The Board shall have the power to levy special assessments against an Owner or Owners in the following manner for the following purposes:

(a) To collect amounts due to the Association from an owner for breach of the owner's obligations under the Declarations, these Bylaws, or the rules and regulations of the Association, by a vote of a majority of the Board.

(b) To maintain, repair or replace Common Property or Association Property if sufficient funds are not available from the Operating Account or Reserve Account if established under Section 8.7 above by a vote of a majority of the Board.

(c) To correct a deficit in the operating budget by a vote of a majority of the Board.

**8.9 Default in Payment of Assessments.** If any Assessment levied by the Association is not paid within thirty (30) days after its due date, the Assessment shall become delinquent and shall be subject to interest, late payment charges and collection costs as provided under ORS 94.630 and Section 8.11 below. In addition, the Association, subject to the requirements of ORS 94.630(4), shall have and may exercise any remedy available under the Declarations, the Oregon Planned Community or by other law or equity, including the following:

(a) Association Lien.

(1) Whenever the Association levies any assessment against a lot, the Association shall have a lien upon the lot for any unpaid Assessments as provided in ORS 94.709. Recording of the Declaration constitutes record notice and perfection of the lien for Assessments. No further recording of a claim of lien for Assessments or notice of a claim of lien is required to perfect the Association's lien.

(2) At any time any Assessment or installment thereof is delinquent, the Association, by and through the Board of Directors or any management agent, may record a notice of lien in the Deed Records of Crook County, Oregon which shall be in the form and include the information specified in ORS 94.709. The Association must record a notice of lien before any suit to foreclosure may proceed as provided in Subsection (b) of this section.

(b) Foreclosure of Lien. The Association, by and through the Board of Directors or any management agent, may file a suit to foreclose the lien, notice of which was recorded under Subsection (a) of this section, as provided in ORS 94.709.

(1) In any suit brought by the Association to foreclose a lien on a lot because of unpaid Assessments, the owner shall be required to pay a reasonable rental for the use of the lot during the pendency of the suit; and the plaintiff in the foreclosure suit shall be entitled to the appointment of a receiver to collect the rental.

(2) The Board of Directors, acting on behalf of the Association, shall have the power to purchase the lot at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (except for the election of a director), convey, or otherwise deal with the lot.

(c) Suit or Action. The Association may bring an action to recover a money judgment for unpaid Assessments under the Declaration or these Bylaws without foreclosing or

waiving the lien described in Subsection (a) of this section. Recovery on any such action, however, shall operate to satisfy the lien, or the portion thereof, for which recovery is made.

(d) Other Remedies. The Association shall have any other remedy available to it by law or in equity.

8.10 Priority of Lien; Prior Mortgages. The priority of the lien of the Association against a lot for Assessments shall be governed by ORS 94.709.

8.11 Liability for Unpaid Assessments.

(a) A lot owner shall be personally liable for all assessments imposed on the lot owner or assessed against the lot.

(b) Subject to ORS 94.723, where the purchaser of a lot obtains title to the lot as a result of foreclosure of a first mortgage or trust deed, the purchaser and the successors and assignees of purchaser shall not be liable for any assessments against the lot which became due prior to the acquisition of title by the purchaser. The unpaid assessments shall be a Common Expense of all lot owners including the purchaser and successors and assigns of purchaser.

8.12 Interest, Late Payment Charge and Collection Costs. If any Assessment imposed or levied by the Association pursuant to the provisions of the Declaration, these Bylaws or the Oregon Planned Community Act is not paid within thirty (30) days after its due date, the owner shall be obligated to pay:

(a) Interest from the due date of the Assessment, or such other date as may be specified by Resolution of the Board, at a rate of twelve percent (12%) per annum or at such greater rate, not to exceed the maximum lawful rate, if any, as may be established by a Resolution of the Board of Directors, from time to time, after a copy of any adopted resolution has been delivered to owners.

(b) A late charge for each Assessment not paid when due as may be established by Resolution of the Board of Directors, not to exceed ten percent (10%) of the unpaid Assessment, after a copy of the Resolution has been delivered to owners.

(c) All expenses incurred by the Association in collecting unpaid Assessments including attorney's fees (whether or not an action is brought against the owner or whether or not a suit to foreclose the lien upon the lot granted by the Oregon Planned Community Act is instituted, and at trial or any appeal there from). All such expenses shall be additional Assessment against the owner and owner's lot.

8.13 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 Assessment.

(b) Budget Summary. Within thirty (30) days after adopting the annual budget, the Board of Directors shall provide a summary of the budget on which Assessments are based to all owners. 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 or receipt of a written request by an owner to provide a Statement of Assessment Account, the Board of Directors shall provide the statement which must contain 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.

ARTICLE IX  
RULES AND REGULATIONS

9.1 Adoption of Rules and Regulations. In addition to the restrictions and requirements of the Declarations and these Bylaws, the Board of Directors from time to time may, by Resolution, adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the lots, and Common Property and Association Property as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Planned Community.

9.2 Modification. Such action may be modified by the Board of Directors.

9.3 Distribution of Copies. A copy of the Rules and Regulations, upon adoption, with a copy of each amendment, modification or revocation, shall be made available by the Secretary promptly to each owner if requested, and shall be binding upon all owners and occupants of all lots from the date of adoption.

ARTICLE X  
INSURANCE

10.1 Types of Insurance. For the benefit of the Association and the Owners, the Board of Directors shall obtain and maintain at all times and shall pay as a Common Expense the following insurance to the extent available at reasonable cost.

(a) Property Damage Insurance. Property insurance covering loss or damage from occurrences including, but not limited to, fire, vandalism, malicious mischief with extended coverage endorsement; and such other coverage such as flooding, and earthquake, which the Association may deem desirable, for not less than the full insurable replacement value of the Common Property or Association Property. The policy or policies shall name the Association and the Owners as insured as their interest may appear and shall provide for a separate loss payable endorsement in favor of the Mortgagee or mortgagees of each lot, if any.



(b) Liability Insurance.

(1) A policy or policies insuring the Association, the Board of Directors, owners, and managing agent, if any, against liability to the public or to the owners and their invitees or tenants incident to the ownership, supervision, control or use of the Planned Community, including legal liability arising out of lawsuits related to employment contracts of the Association, if any. 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 omission of the owner and liability incident to the ownership or use of the part of the property as to which such owner has the exclusive use or occupancy.

(2) Limits of liability under such insurance shall not be less than Two Million Dollars (\$2,000,000) on a combined single limit basis. [\$1 million + \$1 million umbrella]

(3) The policy or policies 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 shall not be prejudiced as respects his, her, or their action against another named insured.

(c) Fidelity Insurance.

(1) The Association may maintain fidelity insurance for all officers, directors, trustees and employees, if any, 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 agent shall maintain fidelity insurance 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 insurance coverage required shall be based upon the best business judgment of the Board of Directors. In no event, however, shall the aggregate amount of the insurance be less than the sum equal to three month's aggregate Assessments on all lots plus reserve funds.

(3) The fidelity insurance shall name the Association as obligee and shall 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 insurance shall provide that it 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.

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

10.2 Insurance by Owners. Each owner and tenant shall be responsible for obtaining property owners, and or liability insurance, at his or her own expense.

10.3 Policies. Insurance obtained by the Association shall be governed by the following provisions:

(a) All policies shall be written with the State of Oregon or a company licensed to do business in the State of Oregon.

(b) All losses under policies hereafter in force regarding the property shall be settled exclusively with the Board of Directors or its authorized representative. Proceeds of the policies shall be paid to the Association as trustee for the owners.

10.4 Provisions. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

(a) A waiver of subrogation by the insurer as to any claims against the Board of Directors, manager, owners and their respective servants, agents and guests;

(b) A provision that the master policy on the Planned Community cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual owners;

(c) A provision that the master policy on the Planned Community cannot be canceled, invalidated, or suspended on account of the conduct of any officer or employee of the Board of Directors or the manager without prior demand in writing that the Board of Directors or manager cure the defect;

(d) A provision that any "no other insurance" clause in the master policy exclude individual owner's policies from consideration, and a waiver of the usual pro-ratio clause with respect to such policies;

(e) A waiver of the insurer's right to determine whether the damage should be repaired. If reasonably available the policy or policies should contain a stipulated amount clause, or determine cash adjustment clause or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild.

#### 10.5 Deductibles; Copies of Owners' Policies.

(a) The Board of Directors shall determine the amount of the deductible for property loss insurance policies, as well as other insurance policies required to be procured by the Association under this Article. In determining the deductible under the policies, the Board, among other factors, shall take into consideration the availability, cost and loss experience of the Association. In this regard, as in other Board responsibilities, the Board members shall exercise their reasonable judgment.

### ARTICLE XI AMENDMENTS TO THE BYLAWS

11.1 How Proposed. Amendments to the Bylaws shall be proposed by either a majority of the Board of Directors or by Owners holding at least thirty percent (30%) of the voting members present. 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 duly constituted meeting. A vote of at least a majority of the Owners present in a properly convened meeting, held for such purpose, is required for approval of any amendment.

11.3 Execution and Recording. An amendment shall not be effective until certified by the president and secretary of the Association as being adopted in accordance with these Bylaws and the Oregon Planned Community Act, and acknowledged and recorded in the Records of Crook County, Oregon.

## ARTICLE XII RECORDS AND AUDITS

The Association shall maintain within the State of Oregon all documents, information and other records of the Association in accordance with ORS 94.640 in the manner prescribed by a Resolution adopted by the Board of Directors.

### 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 meetings 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) The Board of Directors shall maintain a list of Owners of Lots. The list of Owners shall specify whether the Owner is an Owner in Good Standing.

(d) The Association shall retain within the State of Oregon all records of the Association for not less than the period specified in OR 65.771 or any other applicable law, except that:

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

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

12.2 Records of Receipts and Expenditures. The Board of Directors or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affected the Planned Community, itemizing the maintenance and repair expenses of the Common Property or Association Property and any other expenses incurred.

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 Payment of Reimbursement Receipts. The Treasurer shall pay all reimbursement receipts up to One Thousand Dollars (\$1,000) signed by the President, managing agent, if any, or other person authorized by Resolution of the Board of Directors. Any reimbursement receipt in excess of One Thousand Dollars (\$1,000) shall require the signature of the President.

### 12.5 Financial Reports & Audits.

(a) An annual report of the receipts and expenditures of the Association showing assets and liabilities shall be rendered by the Board to all owners of lots who have requested the same in writing within ninety (90) days after the end of each fiscal year.

(b) From time to time the Board, at the expense of the Association, may obtain an audit by a certified public accountant or other financial review of the books and records pertaining to the Association and furnish copies thereof to the Owners. At any time any Owner may, at such

Owners expense, cause an audit or inspection to be made of the books and records of the Association.

#### 12.6 Inspection of Records by Owners.

(a) Except as otherwise provided in ORS 94.670, all records of the Association shall be reasonably available for examination by an Owner pursuant to rules adopted by Resolution of the Board.

(b) The Board of Directors shall maintain a copy, suitable for the purpose of duplication, of the following:

(1) The Declarations, Bylaws and any amendments in effect or supplements thereto, any Resolutions, and Rules and Regulations of the Association;

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

(3) The current operating budget of the Association;

(4) 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.

### ARTICLE XIII COMPLIANCE

These Bylaws are intended to comply with the Oregon Planned Community Act, the Oregon Nonprofit Corporation Act, and the Declarations. In any case of any irreconcilable conflict, such statute and document shall control over these Bylaws or any rules and regulations adopted hereunder.

### ARTICLE XIV MISCELLANEOUS

#### 14.1 Notices.

(a) Association. All notices to the Association or the Board of Directors shall be sent care of the principal office, or mailing address of the Association or to such other address as the Board of Directors may hereafter designate from time to time.

(b) Owners.

(1) Except as otherwise provided in the Declarations, these Bylaws or law, all notices to any Owner shall be sent 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 address.

(2) If a lot is jointly owned or the lot has been sold under a land sale contract, notice shall be sent to a single address, of which the secretary has been notified in writing by such parties. If no address has been given to the Secretary in writing, then mailing to the lot shall be sufficient.

**14.2 Waiver, Precedent, and Estoppels.** No restriction, condition, obligation, or provision contained in these Bylaws or Rules and Regulations adopted pursuant hereto shall 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 and any failure to enforce the same shall not be deemed to constitute precedent or estoppels impairing the right of the Association as to any similar matter.

**14.3 Invalidity; Number; Captions.** Invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

#### CERTIFICATION

The undersigned President and Secretary of the High Desert Estates Home Owners Association hereby certify that the within Bylaws of High Desert Estates Home Owners Association have been adopted by the Board of Directors pursuant to ORS 65.061.

#### HIGH DESERT ESTATES HOME OWNERS ASSOCIATION

By: *Alan S. Phillips*  
President

By: *Kathryn L. Andrews*  
Secretary

STATE OF OREGON     )  
                                  ) ss  
County of Crook     )

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of April 2009, by Al Phillips and Kathryn Andrews, President and Secretary respectively, of High Desert Estates Home Owners Association, on its behalf.



*Leslie Trammell*  
Notary Public  
June 10, 2011  
My commission expires

April 18, 2009

April 18, 2009