

BYLAWS
Of
BRAEWOOD HOMEOWNER’S ASSOCIATION, an
Oregon non-profit corporation

ARTICLE I
MEMBERSHIP

Section 1. Organization and Existence – The Braewood Homeowner’s Association (the “Association”) shall be formed and deemed to exist upon the recordation of these Bylaws.

Section 2. Members – Membership in this non-profit corporation shall be limited to the lot owners (the “Owners”) within the subdivision plats of Braewood West (recording number 2003-114110), Braewood West 1st Addition (recording number 2003-123526), and Braewood West 2nd Addition (recording number 2005-012456) (the “Plats”) located within Lane County, Oregon. Each lot owner within the Plats shall be members of Braewood Homeowner’s Association and shall have one vote in the affairs of the association. Membership in the Association is a covenant running with the land with the purchase of each lot and cannot be segregated from each lot within the Plats.

Section 3. Annual Meeting – Meetings of members shall be scheduled at least once annually and shall be in the form and manner of a notice for special meeting as herein provided. The annual meeting of the Membership shall be held in the month of October at an hour and on a date designated by the Board, or, if the Board fails to designate a date by October 1st, the second Tuesday in October at 7:30 p.m.

Section 4. Election of Directors at Annual Meeting – At the annual meeting, the election of directors will be conducted.

Section 5. Special Meetings – Special meetings of the members may be called at any time by the Board of Directors, or upon written request of five (5) members, addressed to the President, provided that notice thereof be given. Special meetings shall be called not less than fifteen (15) days nor more than thirty (30) days after receipt of request, and if the President fails to issue or call and cause the notice thereof to be given, any member may give notice as herein required.

Section 6. Notice of Special Meetings – Notice of all special meetings shall be given and shall include a statement of the following: the time and place of meeting, in general terms the purposes thereof, and any other information to apprise fairly the members of the purpose of the meeting. Such notice shall be mailed by the person calling the special meeting to each member of this corporation at his last known address as the same appears on the records of the corporation. Such notice will be mailed at least ten (10) days prior to the date of the meeting. Notice shall be deemed given if placed in the United States Mail, postage prepaid, addressed to the member at his last known address. Notice of any meeting may be waived in writing by any member at any time.

Section 7. Proof of Service of Notice – An entry of the service of notice of a meeting, given as above provided, shall be made in the minutes of the proceedings of the members, and such entry, if read and approved at a subsequent meeting, shall be conclusive on all questions of such service.

Section 8. Quorum – At a meeting of the members, ten percent (10%) of the total membership present in person or represented by proxy in writing, shall constitute a quorum for the transaction of any business.

Section 9. Adjournment of Meeting – Any regular or called meeting of the members may adjourn from day to day, or from time to time, without further notice, until its business is completed, provided that at any meeting the business thereof shall be conducted without undue delay and without adjournment unless necessary to complete said business.

Section 10. Rule of Meeting – Business shall be conducted pursuant to the Current edition of Robert's Rules of Order and such rules that may be promulgated by the Board of Directors, the latter to control in case of conflict.

ARTICLE II

DIRECTORS

Section 1. Number of Directors – The number of directors shall be three (3) directors, who shall control and exercise all corporate powers with respect to the business and property of the corporation.

Section 2. Qualification of Directors – Any person of lawful age and a member of this corporation may be elected as a director of this corporation.

Section 3. Term of Office of Directors – Each director shall hold office for a period of one (1) year, however, for purposes of maintaining continuity of management of the affairs of the corporation, the terms of the initial directors may be a maximum of up to three (3) years.

Section 4. Vacancies – Whenever a vacancy shall occur upon the Board of Directors by death, resignation, or otherwise, it shall be filled by the Board of Directors until the next annual meeting of the membership.

Section 5. Annual Meeting of Directors – Immediately after the election of the directors at the annual meeting of the members, said directors shall meet for the purpose of organization, election of officers, and the transaction of necessary business.

Section 6. Special Meetings – Meetings of the Board of Directors may be held at such time and place as said Board may from time to time appoint. Meetings of the Board of Directors shall be held at any time on the order of the President or on the order of three (3) directors.

Section 7. Notice of Meeting – Notices of the meetings of the Board of Directors, stating the time and in general terms the purposes thereof, shall be mailed or personally delivered to each director not later than fifteen (15) days before the day appointed for the meeting. An entry of the service of the notice, given in the manner above provided, shall be made in the minutes of the proceedings of the Board of Directors, and such entry, if read and approved at a subsequent meeting of the Board, shall be conclusive on the question of service. If all the directors shall be present at any directors' meeting, however called or noticed, and sign the written consent thereto which is entered in the record of the meeting, any business may be transacted at such meeting, and the transaction of such business shall be as valid as if had at a regularly called or noticed meeting.

Section 8. Address of Directors – Each director shall register his address with the President and notices of meetings mailed to such address shall be valid notices thereof.

Section 9. Quorum – A majority of the number of the directors shall constitute a quorum for the transaction of business and every act or decision of the majority of the directors present at a meeting at which a quorum is present, made or done when duly assembled shall be valid as the act of the Board of Directors; but a majority of those present at the time and place of any stated or special meeting, although less than a quorum, may adjourn from day to day or time

to time, without further notice, until a quorum shall attend and when a quorum shall attend, any business may be transacted which might have been transacted at the meeting had the same been held on the day on which the same was originally appointed or called.

Section 10. Powers of Directors – The Board of Directors shall have full power to do or cause to be done or performed any and every act which the corporation may lawfully do or perform to carry out the objects and purposes of this corporation as hereafter established.

Section 11. Compensation – No person serving as a director of the Association shall be entitled to compensation from the Association for serving in such capacity. However, the Association shall reimburse Directors in full for any out-of-pocket costs or expenses incurred by them directly for the benefit of the Association and budgeted for by the Association.

ARTICLE III

OFFICERS

Section 1. Executive Officers – The executive officers of the corporation shall be the President, Vice President, Secretary and Treasurer. The officers of the corporation shall be the officers as organized from and after the selection of the Board of Directors. The Board of Directors shall appoint and elect such officers.

Section 2. Appointment of Officers and Agents – The Board of Directors may appoint such other officers, agents and employees of the corporation as they deem proper. The directors may delegate power of appointment and removal and the power to fix the compensation of contractors, agents and employees, if necessary.

Section 3. Removal of Officers or Agents – Any officer or agent may be removed by the directors when, in their judgment, the best interest of the corporation will be served thereby. Such removal, however, shall be without prejudice to the contract rights of the person so removed.

Section 4. Relationship of Officers and Directors to Corporation – Officers and directors shall be deemed to stand in a fiduciary relationship to the corporation and its members and shall discharge the duties of their respective positions in good faith and with that diligence, care, and skill which ordinarily prudent men would exercise under similar circumstances in like position.

Section 5. The President – The President shall be the chief executive officer of the corporation. He shall preside at the meetings of the members and attend the meetings of the Board of Directors. He shall have general charge of the business of the corporation and shall execute in the name of the corporation all contracts and other obligations and instruments authorized by the membership or by the Board of Directors to be executed, and with the Secretary shall sign all certificates or other documents necessary to be executed. The President

shall also have such other powers and perform such other duties as may be assigned by the membership or by the Board of Directors to him.

Section 6. The Vice President – The Vice President shall be vested with all powers to perform all the duties of the President in case of the absence or disability of the President. The Vice President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

Section 7. The Secretary – The Secretary shall keep the minutes of all proceedings of the members of the Board of Directors in books provided for that purpose. He shall attend to the giving and serving of all notices of the meetings of the members and of the Board of Directors and otherwise. He shall execute with the President, in the name of the corporation, all contracts and other obligations and instruments authorized to be executed, and, with the President, shall sign all other documents necessary to be executed. He shall keep and have charge of the minutes of the meeting of the Board of Directors and of the members, and any books containing records of the corporation. He shall, in general, perform all the duties incident to the Office of Secretary, subject to the control of the Board of Directors. In case of the absence or disability of the Secretary or his refusal or neglect to act, notices may be given by the President or Vice President, or by persons authorized to do so.

Section 8. The Treasurer – The Treasurer shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books to be kept for that purpose. He shall receive and deposit or cause to be received and deposited, all monies and valuables of the corporation in the name and to the credit of the corporation, in such depositories as may be designated by the Board of Directors. He shall disburse, or cause to be disbursed, the funds of the corporation, as directed by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and the Board of Directors, when required, account of all transactions and the financial condition of the corporation. He shall, in general, perform all the duties incident to said office subject to the control of the Board of Directors.

Section 9. Vacancies – If the office of the President, Vice President, Secretary or Treasurer becomes vacant by reason of death, resignation, removal or otherwise, the Board of Directors shall elect a successor, who shall hold office for the unexpired term, until a successor is elected.

Section 10. Combined Office – Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 11. Compensation – Neither the President, Vice-President, the Treasurer, the Secretary nor any other officer of the Association shall be entitled to compensation from the Association for serving in such capacity. However, the Association shall reimburse Directors in full for any out-of-pocket costs or expenses incurred by them directly for the benefit of the Association and budgeted for by the Association.

ARTICLE IV

ELECTIONS, VOTING RIGHTS, AND QUALIFICATIONS FOR MEMBERSHIP

Section 1. Vote in Person or by Proxy – At each meeting of the members, each member of this corporation shall be entitled to vote in person or by written proxy.

Section 2. Proxies – All proxies must be in writing, executed by the members themselves or by their duly authorized attorneys, and must be filed with the Secretary of the corporation at or before the meeting of members.

Section 3. Members – Members shall be those who qualify in accordance with the provisions of the Bylaws. No member shall be allowed to vote who is not current in the payment of their dues or assessments to the Association.

Section 4. Voting Rights – A majority vote of the members entitled to vote shall determine all issues except where provided otherwise in the Bylaws.

Section 5. Joint Owners – If a Lot is owned by two or more persons, the vote of that Lot may be exercised by any one of the Owners present at the meeting so long as a Co-Owner does not object. If Co-Owners do not agree on a matter submitted to a vote, the vote of that Lot shall not be counted in determining the outcome of the election.

ARTICLE V

CONDUCT OF MEETING

Section 1. Presiding Officer – The President, or in his absence the Vice President, or in the absence of the Vice President, the Secretary, shall call the meeting of the members and of the Board of Directors to order and act as presiding officer thereof. In the event the Secretary shall be required to so act, said officer shall have the power to appoint a temporary Secretary to record the proceedings of the meeting.

Section 2. Secretary and Duties – The Secretary of the corporation shall act as Secretary at all meetings of the members, and in his absence, the presiding officer may appoint any person to act as Secretary, or the Secretary may delegate any person to be recording Secretary for the purpose of assisting with the minutes, mailing of notices, etc.

ARTICLE VI

ELECTION OF BOARD OF DIRECTORS

At the annual meeting of the members held each year, the members entitled to vote shall elect by ballot or standing vote a Board of Directors as constituted by the Bylaws and the Articles of Incorporation.

ARTICLE VII

TRANSITIONAL ADVISORY COMMITTEE

Within sixty (60) days after Developer has sold at least ninety percent (90%) of the developed lots, Developer shall call a meeting of Owners to select a Transitional Advisory Committee in accordance with ORS 94.604. An Owner may call a meeting if Developer fails to call the meeting within the sixty (60) day period. The Transitional Advisory Committee shall represent all Owners and include a representative of Developer. Upon expiration of ninety (90) days from the date of the selection of the Transitional Advisory Committee, Developer may call a Turnover Meeting to transfer administrative control of the affairs of the Association from Developer to the Association. Developer shall call a Turnover Meeting within one hundred twenty (120) days after Developer has sold ninety percent (90%) of the developed lots. The Developer shall give notice of the meetings to each Owner in the same form and manner of notice for a special meeting as herein provided.

ARTICLE VIII

AMENDMENTS

Section 1. Authority to Amend Bylaws – The Board of Directors is expressly authorized to make, alter, or repeal the Bylaws of this corporation subject to the power of the members to change or repeal such Bylaws, provided however, neither the Board of Directors nor the members are authorized to make, alter or repeal the following portions of the Bylaws:

- (a) Section 1 of Article I.
 - (b) Section 3 of Article IV.
 - (c) All of Article VIII.
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ARTICLE IX

BUDGET AND ASSESSMENTS OF DUES AND LIENS

Section 1. Purpose of Assessment – The Association has the following economic duties which will result in the need to collect monetary dues from the membership:

The Association will maintain the landscaping (weeding, trimming and general clean-up) and irrigation (including water and electricity) in the following locations. The area to be landscaped, maintained and irrigated is shown on the attached Exhibit “A” and includes that portion of Lot 1 and right of way with frontage on Randy Lane and Blacktail Drive as required by that City Property and Right of Way Maintenance and Use Agreement dated _____. The Association will also maintain the concrete block wall shown on the attached Exhibit “B” that is located along the west property line of Lot 35 Braewood West 1st Addition and the east property line of the EWEB power substation, otherwise known as Lane County Assessor’s map 18-04-11 tax lot 104. Association member dues will be used for this landscaping, irrigation and maintenance only.

Section 2. Assessment – The Board shall assess the Owners the amounts sufficient to pay the Association’s expenses (the “Assessment”) in discharging its responsibilities under these Bylaws and Oregon statute. Assessments shall be at least annually. The Assessment shall be determined by dividing the projected annual expenses by the number of developed lots.

Section 3. Budget – The Board shall prepare a budget for the Association for common expenses expected to be incurred, less any previous over-assessments, and assess the Owners as specified in Article IX Section 2.

Section 4. Special Assessments – The Board may establish special assessments only in situations where unforeseen expenses have arisen relative to the maintenance described in Article IX Section 1.

Section 5. Lien and Personal Obligation – All Assessments, with interest, attorney fees and costs of collection shall be a continuing lien upon the Lot against which the Assessment is made. Any lien may be reduced to writing and filed as provided in ORS 94.709. The lien shall exist and be foreclosed as provided in ORS 94.709. Each Assessment, with interest, attorney fees and costs of collection shall also be the personal obligation of the Owner when the Assessment became due.

Section 6. Default in Payment of Assessments – Assessments not paid when due will bear interest at the rate of twelve percent (12%) per annum from the due date until paid. In addition, the defaulting Owner shall pay all expenses of collection, including attorney fees at all levels of litigation.

Section 7. Statement of Assessments – The Board shall advise each Owner in writing of the amount of each Assessment and furnish copies of the budget on which the Assessment is based to all Owners and, if requested, to their mortgages. The Board shall promptly provide any

Owner who makes a request in writing with a written statement of unpaid assessments relating to that Owner's Lot.

CERTIFICATE OF ADOPTION

We, the undersigned, being the directors of Braewood Homeowner's Association, do hereby certify that the foregoing are the Bylaws adopted as the Bylaws of this corporation and ordered certified and filed with the minute book of this corporation by unanimous vote of all the members at a meeting of the members held on the 25th day of October, 2006.

IN WITNESS WHEREOF, the undersigned, being Declarant herein, have hereto set its hand this 25th day of October, 2006.

By: _____

By: _____

By: _____

STATE OF OREGON)

) ss.

COUNTY OF WASHINGTON)

Personally appeared _____, _____ and _____, on the 25th day of October, 2006, executed the foregoing document in their capacity as Board of Directors of the Braewood Homeowner's Association, and acknowledges that the foregoing document was executed as the voluntary act and deed of each and in their official capacity as Directors.

BEFORE ME, a Notary Public in and for Oregon.

Notary Public for Oregon

My Commission Expires: 6/20/08