



DOUGLAS COUNTY CLERK



CERTIFICATE PAGE

**DO NOT REMOVE THIS PAGE FROM ORIGINAL
DOCUMENT**

THIS PAGE MUST BE INCLUDED IF DOCUMENT IS RE-RECORDED

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

1 ARTICLE ONE - PLAN OF UNIT OWNERSHIP

1.1 Name and Location. These are the Bylaws of THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, (hereinafter the "Association"). THE HIGHLANDS AT VISTA RIDGE (hereinafter the "Project") is located in Douglas County, Oregon, and has been submitted to the Oregon Unit Ownership Law and the Oregon Subdivision Control Law (aka the Oregon Revised Statutes), by a Declaration of Conditions, Restrictions, Covenants, Easements, Reservations and Regulations filed with Douglas County, and by supplemental declarations, if any, annexing property to the Project (hereinafter "the Declaration"). The location of the Project is more specifically described in the Declaration.

1.2 Principal Office. The principal office of the Association shall be located at 237 Highland Vista Lane, Roseburg, OR 97471.

1.3 Purposes. This Association is formed under the provisions of the Oregon Unit Ownership Law and the Oregon Subdivision Control Law (aka the Oregon Revised Statutes) to serve as the means through which the unit owners may take action with regard to the administration, management and operation of the Project.

1.4 Applicability of Bylaws. The Association, all unit owners, and all persons using the Project property shall be subject to these Bylaws and to all rules and regulations, which may be promulgated hereunder.

1.5 The Highlands at Vista Ridge Declaration. In addition to these Bylaws, the Association, all unit owners, and all persons using the Project property are subject to the Declaration and any rules and regulations promulgated thereunder.

1.6 Composition of Association. The Association shall be composed of all the parcel owners of the Project, including Highland Associates, Inc. and its successors or assigns, (hereinafter the "Developer") and the Association, itself, to the extent either of these own any parcels in the Project. Property owners shall be members automatically by virtue of their ownership.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

2 ARTICLE TWO - MEMBER VOTING, AND MEETINGS OF THE ASSOCIATION ⁱ

2.1 Place of Meetings. The Association shall hold meetings at 237 Highland Vista Lane, Roseburg, OR 97471 or at such other suitable place convenient to the parcel owners as may be designated by the Board of Directors.

2.2 First Organizational Meeting. *(Obsolete text; see previous amendment for detail.)*

2.3 Annual Meetings. Commencing in the year 1999, the annual meetings of the Association shall be held in the month of June or as needed at such hour and on such date as the President may designate. If the President should fail to designate such date by the first day of May, then on the last Tuesday in June, or if such day be a holiday, then on the last Thursday in June. The annual meetings shall be for such business as may properly come before the meeting. ⁱⁱ

2.4 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 twenty percent (20%) of the parcel owners having voting interests, stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

2.5 Notice of Meetings. Notice of all meetings of the Association stating the time and place and the subjects for which the meeting is being called shall be given by the President or Secretary. Such notice shall be in writing and mailed to each parcel owner at his address as it appears on the books of the Association not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived by any parcel owner before or after meetings. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

2.6 Voting Interests. Each owner of one or more parcels shall have one vote for each parcel owned by such person. The Developer shall be entitled to one vote for each parcel owned by the Developer. The Board of Directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the Board of Directors shall not be entitled to vote such units in any election of Directors.

2.7 Ballot In Lieu of Meeting. To the extent not inconsistent with law and subject to the provisions thereof, any action that may be taken at a meeting of the Association may be taken without a meeting of the Association by use of a secret, written mail-in and/or telephonic/electronic ballot. ⁱⁱⁱ

2.8 Proxies. Any vote that may be cast in person may, alternatively, be cast by proxy. A proxy given by a holder of a voting interest to any person who represents such holder at meetings of the Association shall be in writing and signed by such owner, and shall be filed with the Secretary. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease when the holder of the voting interest no longer holds such interest. ^{iv}

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

2.9 Fiduciaries and Joint Owners. An executor, administrator, guardian or trustee may vote by secret, written, mail-in ballot or telephonic or electronic ballot when a vote is called for by ballot without a meeting of the Association, or may vote in person or by proxy, at any meeting of the Association with respect to any voting interest held by him in such capacity, whether or not the same shall have been transferred to his name; provided that he shall satisfy the Secretary that he is the legal executor, administrator, guardian or trustee, holding such voting interest in such capacity. Whenever any Lot is owned by two or more persons jointly, according to the records of the Association, the vote of such Lot may be exercised by any one of the owners then present, in the absence of protest by the other(s). In the event of such 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 such Lot shall be disregarded completely in determining the proportion of votes given with respect to such matter. ^v

2.10 Quorum of Unit Owners. At any meeting of the Association, fifty percent (50%) of the voting interests, present in person or by proxy, shall constitute a quorum. The subsequent joinder of a Lot owner in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by subsequent withdrawal therefrom. If any meeting of members cannot be organized because of a lack of a quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. ^{vi}

2.11 Majority Vote. Except where a higher percentage vote is required by law, by the Declaration, or by these Bylaws, a vote shall be binding upon all voting interests for all purposes if (1) the vote is approved by more than 50% of the votes cast in person or by proxy at a meeting after a quorum was attained, or (2) a vote is taken without a meeting with at least 50% of voting interests casting secret ballots and approval by more than 50% of valid votes cast by written (including mail-in), telephonic, or electronic ballots after any established record date but by the specified date certain provided for in the required notice. ^{vii}

2.12 Annual Meeting Business. The business at annual meetings of the Association shall include: ^{viii}

- 2.12.1** Calling of the roll and certifying of proxies.
- 2.12.2** Proof of notice of meeting or waiver of notice.
- 2.12.3** Approval of the minutes of the preceding meeting (if not previously published and approved by the Board). ^{ix}
- 2.12.4** Reports of officers, if any. ^x
- 2.12.5** Reports of committees, if any.
- 2.12.6** Director Election or Run-off Election of Directors, as necessary, and Election Results. ^{xi}
- 2.12.7** Unfinished business, if any. ^{xii}
- 2.12.8** New business.
- 2.12.9** Adjournment.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

3 ARTICLE THREE - BOARD OF DIRECTORS

3.1 Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons. Each Director shall be an individual and an owner or co-owner of a parcel in the Project, or as provided by law, a fiduciary of an entity owner of a parcel in the Project. ^{xiii}

3.2 Election and Term of Office. Prior to or at the annual meeting, to be held as set forth in Section 2.3, each Director shall be elected to serve for a one-year term which term shall begin at the later of the adjournment of the annual meeting or the first day of June, and end upon a successor taking office. ^{xiv} (First annual meeting occurred on the 20th day of February, 2003.)

3.3 Beginning Election of Directors Prior to the Annual Meeting. At least ninety (90) calendar days prior to each annual meeting, the Board of Directors shall decide if the election of Directors will begin by written, secret ballot voting prior to the annual meeting instead of beginning the election of Directors at the annual meeting. If the Board of Directors decides that election of Directors will begin prior to the annual meeting, the Secretary shall cause written notice to that effect to be sent to the address of record of each owner entitled to vote as of the date of record as provided in Sections 2.6 and 6.1, and state that no Director candidate nominations will be considered at the annual meeting. The notice shall also state the opening and closing dates of a period in which the Secretary will accept petitions for the nominations of Director candidates. The period for accepting petitions shall be at least fourteen (14) calendar days. The notice shall be mailed at least three (3) calendar days before the opening of nominations. To be effective, each such nomination for a Director candidate must be by an owner (as of the established date of record) on a separate form and in a manner supplied with the notice by the Secretary and accompanied by a signed certification from the nominee stating that they are agreeable to nomination and will serve as Director if elected. After the close of nominations of at least one candidate for each Director vacancy, the Secretary shall cause written ballots to be sent to the address of record of each owner entitled to vote as of the date of record as provided in Sections 2.6 and 6.1. ^{xv}

3.4 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, or by a sole remaining Director. The term of service of each individual so elected as Director shall be the un-expired portion of the term of service of the Director vacancy. ^{xvi}

3.5 Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the voting interests present in person or by proxy, and a successor shall be elected at that meeting to fill the vacancy thus created. The notice of any such meeting shall state that such removal is to be considered, and any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

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

3.6.1 Operation, care, upkeep, maintenance and repair of the general and limited common elements¹ and designation of parking spaces which are general common elements as guest, resident or reserved parking.

3.6.2 Determination of the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures.

3.6.3 Collection of the common expenses from the parcel owners, whether or not a dwelling unit has been completed upon such parcel.

3.6.4 Employment and dismissal of such personnel as necessary for the efficient maintenance, upkeep and repair of the common areas and private ways².

3.6.5 Employment of legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association.

3.6.6 Opening of bank accounts on behalf of the Association and designating the signatories required therefore.

3.6.7 Purchasing parcels or residential units at foreclosure or other judicial sales in the name of the Association, or its designee, on behalf of all the owners.

3.6.8 Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of Directors), or otherwise dealing with parcels or residential units acquired by the Association or its designee.

3.6.9 Obtaining insurance or bonds pursuant to the provisions of these Bylaws.

3.6.10 Making additions and improvements to, or alterations of, the common areas or private ways. Provided however, that no such project may be undertaken by the Board if the total cost will exceed the amount of \$5,000.00 unless the holders of voting interests have enacted a resolution authorizing the project by a vote of the majority of such interests present in person or by proxy at a meeting at which a quorum is constituted. Assessments therefore shall be made in accordance with the Declaration.

3.6.11 Enforcement by legal means of the provisions of Oregon law, the Declaration, these Bylaws and any rules and regulations adopted hereunder.

3.6.12 Collection of assessments pursuant to the Declaration to be paid to the Association, which shall specifically, although not exclusively, include the right to enforce a lien against the property for such assessment.

¹“Limited common elements” means those elements designated in the Declaration as reserved for the use of a certain number of units, to the exclusion of other units.

²“Private ways” means a road on private land.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

3.7 Managing Agent or Manager. On behalf of the Association, the Board of Directors may employ or contract for a managing agent or a manager at a compensation to be established by the Board of Directors. The Board of Directors may delegate to the managing agent or manager such duties and powers as the Board of Directors may authorize. In the absence of such appointment, the Board of Directors shall act as manager.

3.8 Organization Meeting. Within ten (10) days following the annual meeting of the Association or following any Association 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 shall have been fixed by the Directors at the Association meeting at which the results of the election of Directors was required to be announced.^{xvii}

3.9 Regular and Special Meetings. Regular meetings 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 and must be called by the Secretary at the written request of at least three (3) Directors. Notice of any special meeting shall be given to each Director, personally or by mail, telephone or telegraph at least fourteen (14) days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting.

3.10 Waiver of Notice. Any Director may, at any time, waive notice of any meeting of the Board of Directors in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver by him of notice of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.11 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors less than a quorum should be present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12 Compensation. No Director shall receive any compensation from the Association for acting as such, except for out-of-pocket expenses, unless such compensation is approved by a majority vote of the holders of voting interests.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

3.13 Liability and Indemnification of Directors, Manager or Managing Agent. The Directors shall not be liable to the Association or the owners of parcels or residential units for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each Director and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the Board of Directors, manager or managing agent on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration filed herewith or of these Bylaws. Each Director 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 they may become involved, by reason of being or having been a Director, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnity if the Director, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of his duties.

3.14 Fidelity Bonds. The Board of Directors may require that any or all officers or employees of the Association who handle or are responsible for Association funds shall furnish such fidelity bonds, as the Board deems adequate. The premiums on such bonds shall be paid by the Association.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

3.15 Insurance. The Board of Directors shall obtain such liability insurance, as the Board deems necessary to protect the owners, the Association, its officers and employees. In addition, the Board of Directors, as trustee for the owners, shall obtain such casualty insurance as is necessary to protect the entire Project, including any additions thereto, as provided by the Declaration. 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. The Board of Directors shall conduct an annual insurance review, which shall include an appraisal of all improvements by a representative of the carrier writing the casualty policy. No owner may engage in any activity, which might jeopardize the insurance coverage described herein. Insurance policies obtained hereunder shall be master policies insuring the Association, its officers and Directors, the manager or managing agent, if any, and all owners, as their respective interests may appear, and shall include the following provisions, if possible:

3.15.1 Casualty coverage shall include those risks covered by a standard fire insurance policy with extended coverage endorsement and shall be for the full replacement cost without deduction of depreciation.

3.15.2 Such policy shall contain a waiver of the usual pro-ration and waiver of any right of subrogation as against any co-insured and elimination of the usual "no other insurance" provisions.

3.15.3 Such policy shall require the insurance company to give notice of cancellation to the insured and to any mortgagors covered by loss payable clauses.

3.15.4 Such policy shall bear a mortgagor's clause or a loss-payable clause in favor of any mortgagor or lender requesting the same, but such clause shall not give the mortgagor or lender the right to preempt payment of the insurance proceeds to the Association or to control whether or not the damage is repaired. The insurer shall likewise waive its right to determine whether the damage should be repaired, and loss adjustment and control of the proceeds of the policy should rest in the Association as trustee for the unit owners.

3.15.5 Liability coverage should cover any owner for his acts or omissions in connection with the parcel or residential unit and cover any liability arising out of such ownership and should contain a severability-of-interests provision so as to cover one owner for his inability to another owner.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

4 ARTICLE FOUR - OFFICERS OF THE ASSOCIATION³

4.1 Designation. The principal officers of the Association shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint a Vice-President, an Assistant Treasurer, an Assistant Secretary, and such other officers as in their judgment may be necessary. The President shall be a member of the Board of Directors, but the other officers need not be Directors or owners.

4.2 Election of officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. If any office shall become vacant, the Board of Directors shall elect a successor to fill the term at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4.3 Removal of officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

³Nothing in Article Four is meant to imply any distinction between the Association and the Corporation. The Association and the Corporation are one and the same entity.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

5 ARTICLE FIVE - BUDGET, EXPENSES AND ASSESSMENTS

5.1 Budget. 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, and assess the common expenses to each unit owner in the same proportion as his percentage interest in the common areas. The Board of Directors shall advise each owner in writing of the amount of common expenses payable by such owner, and furnish copies of each budget on which such common expenses are based to all parcel owners, and if requested, to their mortgagors.

5.2 Determination of Common Expenses. Common expenses shall include:

5.2.1 Expense of administration.

5.2.2 Expenses of maintenance, repair or replacement of common areas and private ways.

5.2.3 Cost of insurance or bonds obtained in accordance with these Bylaws and the Declaration.

5.2.4 A general operating reserve.

5.2.5 Reserve or replacements and deferred maintenance.

5.2.6 Any deficit in common expenses for any prior period.

5.2.7 Any other items properly chargeable as an expense of the Association.

5.3 Assessment of Common Expenses. All owners shall be obliged to pay common expenses assessed to them by the Developer pursuant to the Declaration or the Board of Directors on behalf of the Association pursuant to these Bylaws and the Declaration. The Developer shall be assessed as the owner of any unsold parcel or dwelling unit owned by it, but such assessment shall be prorated to the date of sale. The Developer or Board of Directors on behalf of the Association, shall assess the common expenses against the owners from time to time, and at least annually, and shall take prompt action to collect any common expense due which remains unpaid by him for more than thirty (30) days from the due date for its payment. Such assessment shall be in addition to any assessments imposed directly upon any parcel owner under the Declaration. The Board may make an initial assessment to the first owner of each parcel for the purpose of establishing initial operation funds or reserves. If any additional property is annexed to the Project, as provided in the Declaration, the first owner, other than Developer, of each parcel or residential unit therein shall pay the same initial assessment as other owners paid. The Board of Directors shall promptly prepare a new budget reflecting the addition to the Project and shall re-compute any previous assessment covering any period after annexation.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

5.4 Default of Payment of Assessments and Fines. In the event of default by a parcel owner in paying the assessment or fine provided under the Bylaws and Declaration, such owner shall be obligated to pay interest at the rate of nine percent (9%) per annum on such assessment or fine from the due date thereof, together with all expenses, including attorney's fees, incurred by the Association in any proceeding to collect such unpaid assessment or fines or any appeal therefrom. It is understood that each assessment or fine levied pursuant to the Declaration or Bylaws, including Association dues, shall be a separate, distinct and personal debt and obligation of the owner against whom the assessment or fine is levied.

5.4.1 Sale or transfer of the parcel shall not release such owner from the personal liability imposed. Provided the amount is not paid (including installments not otherwise due of Developer or the Association elects that such installment be accelerated), together with interest, costs and attorneys' fees as herein provided, the amount shall become a lien on the parcel or residential unit against which the sum is due. Upon recordation by Developer or Association of a notice of lien or action to foreclose, the lien may then be brought under Oregon law. Such liens shall be subordinate to the lien of any mortgage or trust deed upon such parcel, or parcels, which was made in good faith and for value and which was recorded prior to recordation of the notice of lien.

5.5 Foreclosure of Liens for Unpaid Common Expenses. In any suit brought by the Association to foreclose a lien on a parcel or residential unit because of unpaid common expenses, the owner thereof shall be required to pay a reasonable rental for the use thereof during the pendency of the suit, and the plaintiff in such foreclosure suit shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors, acting on behalf of the Association shall have the power to purchase such parcel or hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the parcel or residential unit. A suit or action to recover a money judgment for unpaid common expenses shall be maintained without foreclosing the liens securing the same.

5.6 Statement of Common Expenses. The Board of Directors shall promptly provide any owner who makes a request in writing with a written statement of unpaid common expenses.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

6 ARTICLE SIX - RECORDS AND AUDITS

6.1 General Records. The Board of Directors and the managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and the managing agent or manager, minutes of the meetings of the Board of Directors and minutes of the meetings of the Association. The Board of Directors shall maintain a list of owners entitled to vote and shall establish, as necessary, and consistent with applicable law, a record date for each vote not taken at a meeting.^{xviii}

6.2 Records of Receipts and Expenditures. The Board of Directors or its designees shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and private ways, itemizing the maintenance and repair expenses thereof and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by owners at convenient hours of the week.

6.3 Assessment Roll. The Assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such account shall designate 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.

6.4 Payment of Vouchers. The Treasurer shall pay all vouchers up to \$1,000 signed by the President, managing agent, manager or other person authorized by the Board of Directors. Any voucher in excess of \$1,000 shall require the signature of the President.

6.5 Reports and Audits. An annual report of the receipts and expenditures of the Association shall be rendered by the Board of Directors to all owners and to their respective mortgagors who have requested the same promptly after the end of each fiscal year. 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 thereof to the owners. At any time any owner may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

7 ARTICLE SEVEN - MAINTENANCE AND USE OF THE HIGHLANDS AT VISTA RIDGE

7.1 Maintenance and Repair. Except as otherwise provided herein for damage or destruction caused by casualty:

7.1.1 Units. All maintenance of and repairs to any unit shall be made by the owner of such unit, who shall keep the same in good order, condition and repair and shall do all redecorating and painting which at any time may be necessary to maintain the good appearance and condition of his unit, subject to the provisions of the Declaration.

7.1.2 Common Areas and Private Ways. All maintenance repairs and replacements to the common areas and private ways shall be made by the Association and shall be charged to all the owners as a common expense.

7.2 Additions, Alterations or Improvements. All additions, alterations or improvements, whether of a unit by the unit owner or of a common area or private way by the Association, must be approved as to design by the Architectural Committee.

7.3 Damage or Destruction by Casualty of THE HIGHLANDS AT VISTA RIDGE.

7.3.1 In the event of damage or destruction by casualty of THE HIGHLANDS AT VISTA RIDGE, the damage or destruction shall be repaired, reconstructed or rebuilt unless, within fourteen (14) days of such damage or destruction, the Board of Directors or more than ten percent (10%) of those holding voting interest shall have requested a special meeting of the Association. Such special meeting must be held within sixty (60) days of the date of damage or destruction. At the time of such meeting, unless ninety percent (90%) of those holding voting interest, whether in person, by writing or by proxy, vote not to repair, reconstruct or rebuild the damaged property, the damage or destruction shall be repaired, reconstructed or rebuilt.

7.3.2 The Association shall be responsible for repairing, reconstructing or rebuilding all such damage or destruction to the common elements and, to the extent of the Association's insurance coverage, all such damage or destruction to any residential unit insured thereby. Each residential unit owner shall be responsible for such repairing, reconstruction or rebuilding of his unit as is not covered by the Association's insurance.

7.3.3 To the extent that insurance proceeds paid to the Association are not used to repair, reconstruct, or rebuild the damaged or destroyed property, the Association shall equitably distribute the proceeds among the owners.

7.4 Condemnation. In the event of a taking in condemnation by eminent domain of part or all of the common areas or private ways, the award made for such taking shall be payable to the Association. If seventy-five percent (75%) or more of the owners entitled to vote duly and promptly approve the repair or restoration of such common elements, the Board of Directors shall arrange for the same, which shall be paid out of the proceeds of the award. In the event seventy-five percent (75%) or more of those entitled to vote do not duly and promptly approve the repair and restoration of such common elements, the Board of Directors shall equitably disburse the net proceeds of such award among the owners.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

7.5 Restrictions and Requirements Respecting Use of Project Property.

7.5.1 Residential Use. The Declaration shall determine the use of common areas, private ways and private areas.

7.5.2 Association Rules and Regulations. The Board of Directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of parcels, residential units, common areas and private ways as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Project. Such action may be modified by vote of a majority of the voting interests, in person or by proxy, at the meeting the notice of which shall be stated that such modification or revocation of rules and regulations will be under consideration. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Secretary promptly to each owner and shall be binding upon all owners and occupants of all residential units and parcels from the date of delivery.

7.6 Right of Entry. A residential unit owner or occupant shall grant the right of entry to the Board of Directors, managing agent or manager or any other person authorized by the Board of Directors in the case of any emergency originating in or threatening such unit or other Project property, whether or not the owner or occupant is present at the time. An owner or occupant shall also permit such persons to enter his residential unit for the purpose of performing installations, alterations or repairs to any common area or private way, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner or occupant.

7.7 Abatement and Enjoining of Violations. The violation of any rule or regulation adopted hereunder or the breach of any Bylaw contained herein or of any provision of the Declaration shall give the Board of Directors, acting on behalf of the Association, the right, in addition to any other rights set forth in these Bylaws and the Declaration:

7.7.1 To enter the residential unit or upon the parcel in which or as to which such violation exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty of any manner of trespass;

7.7.2 To enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

8 ARTICLE EIGHT - AMENDMENTS TO BYLAWS

8.1 How Proposed. Amendments to the Bylaws shall be proposed by either a majority of the Board of Directors or by twenty percent (20%) of the voting interest. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

8.2 Adoption. A resolution adopting a proposed amendment may be proposed either by the Board of Directors or by the holder of a voting interest and may be approved at a meeting called for this purpose. Holders of voting interests not present at the meeting considering such amendment may express their approval in writing or by proxy. Such resolution must be approved by an affirmative majority of votes.^{xix}

8.3 Execution and Recording. An amendment shall not be effective until certified by the President and Secretary of the Association and until recorded as required by law.

9 ARTICLE NINE - MISCELLANEOUS

9.1 Notices. All notices to the Association or to the Board of Directors shall be sent in 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 hereafter designate from time to time. All notices to any owner shall be sent to such address as may have been designated by him from time to time, in writing, to the Board of Directors.

9.2 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

9.3 Invalidity, Number, Captions. The 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 the convenience of reference and shall in no way limit any of the provisions of these Bylaws.

9.4 Adoption by Reference. The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

9.5 Conflicts. These Bylaws are intended to comply with the Oregon Unit Ownership Law, the Oregon Subdivision Control Law (aka the Oregon Revised Statutes), and the Declaration. In case of any irreconcilable conflict, such statute and documents shall control over these Bylaws or any rules and regulations adopted hereunder.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

FIRST AMENDMENT TO THE BYLAWS 2009

The Highlands at Vista Ridge Homeowners Association, Inc. corrected scrivener's errors and omissions and eliminated obsolete sections in the original Bylaws indicated in the excerpt following which was made and recorded April 9, 2009, as the First Amendment to the original Bylaws which were dated March 24, 1994 and thereby replaced in its entirety:

Article I - Plan of Unit Ownership

Principal Office. The principal office of the Association shall be located at

{remove: 9 SW Mount Jefferson Terrace, Lake Oswego, OR 97305. }

{add: **237 Highland Vista Lane, Roseburg, OR 97470.** }

6. Composition of Association. The Association shall be composed of all the parcel owners of the Project, including { remove: (blank) } { add: **Highland Associates, Inc.** } and its successors or assigns, (hereinafter the "Developer").

Note: The principal office changed effective on February 20, 2003 at administrative turnover.

Article II - Meetings Of The Association

Place of Meetings. The Association shall hold meetings {remove: 9 SW Mount Jefferson Terrace, Lake Oswego, OR 97305. - } {add: **237 Highland Vista Lane, Roseburg, OR 97470.**} or at such other suitable place convenient to the parcel owners as may be designated by the Board of Directors.

Annual Meetings. Commencing in the year {remove: 1992} {add: **1999**}, the annual meetings of the Association shall be held in the month of { remove: (blank) } {add: **June**} or {remove: (blank)} {add: **as needed**} at such hour and on such date as the chairman may designate, or if the chairman should fail to designate such date by the first day of {remove: (blank) - } {add: **May**}, then on the last Tuesday in {remove: (blank)} {add: **June**}, or if such day be a holiday, then on the last Thursday in {remove: (blank) - } {add: **June**}.

Note: These changes were effective on February 20, 2003 at administrative turnover.

Article III - Board of Directors

Remove: 2. Interim Directors.....

Note: This article provision became obsolete on February 20, 2003 at administrative turnover.

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

SECOND AMENDMENT TO THE BYLAWS 2011

The Highlands at Vista Ridge Homeowners Association, Inc. corrected scrivener's errors to the Bylaws indicated in the excerpt following and also made formatting changes to the structural hierarchy all of which were recorded on December 6, 2011, as the Second Amendment to the Bylaws, replacing all prior Bylaws in their entirety:

Scrivener's Corrections:

- 1.5 deleted "and the Declaration," and "of the Highlands. (Hereinafter the "Declaration"),"; changed "there under" to thereunder"
- 1.6 changed "be" to "by" and "co-owners" to "owners"
- 2.2 deleted obsolete section
- 2.3 changed "chairman" to "President" and capitalized "Directors"
- 2.4 changed "chairman" to "President" and capitalized "Secretary"
- 2.5 changed "chairperson" to "President" and capitalized "Secretary"
- 2.6 deleted ", upon which a residential unit has not been completed and one vote for each residential unit", inserted "the", deleted ", and" and capitalized "The"
- 2.7 capitalized "Secretary"
- 2.8 capitalized "Secretary"
- 2.9 changed "of" to "a", "there from" to "therefrom" inserted "a"
- 2.10 capitalized "Declaration"
- 3.1 deleted ", other than interim Directors appointed by Developer,"
- 3.2 deleted "first"
- 3.3 inserted "a"
- 3.4 deleted ", other than interim Directors,,"; capitalized "Directors"; changed "of" to "be"
- 3.4 added footnote to define "limited common elements"
- 3.5.4 added footnote to define "private ways"
- 3.5.11 capitalized "Declaration"
- 3.8 changed "chairperson" to "President" and capitalized "Secretary"
- 3.9 deleted comma, capitalized "Directors"
- 3.12 changed "of" to "or", deleted ", including interim Directors," and capitalized "Declaration" and "Association"
- 3.14 inserted "the owners,,"; changed "or" to "and"; deleted ", and the owners" and deleted a comma; capitalized "Project"
- 3.14.3 added "to"
- 3.14.4 changed "trustees" to "trustee"
- 4 deleted "AND/OR CORPORATION" and added footnote
- 4.1 added serial comma after Secretary
- 5.1 added serial comma after owners; removed comma
- 5.3 added serial comma; capitalized "Declaration", "Project" and "Developer"
- 6.4 changed "chairman" to "President"
- 7.5.1 changed "The use to which common areas, private ways and private areas may be put shall be determined by the Declaration." to "The Declaration shall determine the use of common areas, private ways and private areas."
- 7.6 changed "occupants" to "occupant"
- 7.7 changed punctuation "." to "!"

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

THIRD AMENDMENT TO THE BYLAWS RECORDED FEBRUARY 2014

The Third amendment resulted from consultation with legal counsel indicating that State statute (ORS 94 including 94.658 and 94.635) prevailed over inconsistent Bylaws provisions as regards (1) the voting rights of each owner of a vacant lot, and (2) the necessary margin for Bylaws amendment. This amended content was approved by a simple majority vote of the membership in balloting that ended on 25 October 2012.

1.6 Composition of Association. "... Property owners shall be members automatically by virtue of their ownership, ~~provided, however property owners other than the Developer have no voting interest as herein defined until the parcel owned has a completed residential unit thereon.~~"

2.6 Voting Interests. "Each owner of one or more parcels shall have one vote for each parcel owned by such person ~~upon which a residential unit has been completed.~~"

2.8 Fiduciaries and Joint Owners. "... Whenever any residential unit Lot is owned by two or more persons jointly, according to the records of the Association, the vote of such ~~unit Lot~~ may be exercised by any one of the owners then present, in the absence of protest by the other(s). In the event of such 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 such ~~unit Lot~~ shall be disregarded completely in determining the proportion of votes given with respect to such matter."

2.9 Quorum of Unit Owners. "... The subsequent joinder of a residential unit Lot owner in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum."

8.2 Adoption. "... Such resolution must be approved by ~~seventy five percent (75%) of the voting interests an~~ affirmative majority of votes."

STATE OF OREGON)
)
County of Douglas)

We, Ione Hunt and Patricia Beckey, certify that:

We are duly elected, qualified and acting President and Secretary, respectively, of THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION INC., a non-profit mutual benefit corporation;

The within and foregoing is a full and complete copy of the Amended Bylaws of said Association;

The Board of Directors of said Association approved scrivener corrections, and proposed amendments to the Bylaws herein which received a simple majority of affirmative votes cast by Association members according to the provisions of Bylaws 8.2 and ORS 94.647 in balloting tallied on April 23, 2014;

These amended bylaws are to be recorded as the **Fourth Amendment to the Bylaws** for THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION INC.; and,

This amended document entirely replaces Document No. 2014-003018 duly filed with the Office of the Recorder, Douglas County, on 20 February 2014, and which had superseded all other previously recorded amendments.

IN WITNESS WHEREOF, we have hereunto set our official signatures

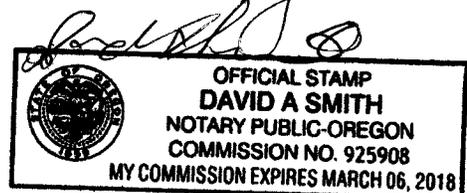
This 13th day of May 2014.

s/ Ione Hunt President

s/ Patricia Beckey Secretary

Subscribed and sworn before me in the State of Oregon, County of Douglas

David A Smith Notary Public for the State of Oregon



BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

Content Affected by the Fourth Amendment

- ⁱ Article title is amended as follows: **MEMBER VOTING, AND MEETINGS OF THE ASSOCIATION**
- ⁱⁱ **2.3 Annual Meetings.** [Last sentence is amended as follows] ~~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.~~
- ⁱⁱⁱ **2.7** [All new content in this sub-section following with each subsequent sub-section re-numbered] **Ballot In Lieu of Meeting.** To the extent not inconsistent with law and subject to the provisions thereof, any action that may be taken at a meeting of the Association may be taken without a meeting of the Association by use of a secret, written mail-in and/or telephonic/electronic ballot.
- ^{iv} **2.8 Proxies.** Any vote that may be cast in person, may, alternatively, be cast or by proxy. ...
- ^v **2.9 Fiduciaries and Joint Owners.** An executor, administrator, guardian or trustee may vote by secret, written mail-in ballot, or telephonic or electronic ballot when a vote is called for by ballot without a meeting of the Association, or may vote in person or by proxy, at any meeting of the Association with respect to any voting interest held by him in such capacity, whether or not the same shall have been transferred to his name; provided that he shall satisfy the Secretary that he is the legal executor, administrator, guardian or trustee, holding such voting interest in such capacity. ...
- ^{vi} **2.10** [No change to this sub-section except renumbering]
- ^{vii} **2.11 Majority Vote.** The vote of fifty percent (50%) or more of the voting interests present in person or by proxy at a meeting at which a quorum is constituted shall be binding upon all voting interests for all purposes except where a higher percentage vote is required by law, by the Declaration or by these Bylaws. Except where a higher percentage vote is required by law, by the Declaration, or by these Bylaws, a vote shall be binding upon all voting interests for all purposes if (1) the vote is approved by more than 50% of the votes cast in person or by proxy at a meeting after a quorum was attained, or (2) a vote is taken without a meeting with at least 50% of voting interests casting secret ballots and approval by more than 50% of valid votes cast by written (including mail-in), telephonic, or electronic ballots after any established record date but by the specified date certain provided for in the required notice.
- ^{viii} **2.12** [This sub-section and its content are re-numbered and otherwise amended as follows] **Order of Annual Meeting Business.** The order of business at annual meetings of the Association shall be include:
- ^{ix} **2.12.3** [This sub-subsection was re-numbered (along with the previous two) and amended as follows] Approval Reading of the minutes of the preceding meeting (if not previously published and approved by the Board).
- ^x **2.12.4** [This sub-subsection was re-numbered and amended] Reports of Officers, if any.
- ^{xi} **2.12.6** [This sub-subsection was re-numbered (along with the previous two and all succeeding) and amended as follows] Director Election or Run-off Election of Directors, as necessary, and Election Results.
- ^{xii} **2.12.7** [This sub-section amended as follows; subsequent sub-sections re-numbered with no change in content] Unfinished business, if any.
- ^{xiii} **3.1** ~~All Each~~ Directors shall be and individual and an owners or co-owners of residential units- a parcel within the Project, or as provided by law, a fiduciary of an entity owner of a parcel in the Project.
- ^{xiv} **3.2 Election and Term of Office.** Prior to or at the annual meeting, to be held as set forth in Article II, Section 2.3, all each Directors shall be elected to serve for a one-year terms which term shall begin at the later of the adjournment of the annual meeting or the first day of June, and end at the conclusion of the next annual meeting upon a successor taking office.
- ^{xv} **3.3** [This section is newly titled with new content and each subsequent section of this Article is re-numbered] **Beginning Election of Directors Prior to the Annual Meeting.** At least ninety (90) calendar days prior to each annual meeting, the Board of Directors shall decide if the election of Directors will begin by written, secret ballot voting prior to the annual meeting instead of beginning the election of Directors at the annual meeting. If the Board of Directors decides that election of Directors will begin prior to the annual meeting, the Secretary shall cause written notice to that effect to be sent to the address of record of each owner entitled to vote as of the date

BYLAWS

THE HIGHLANDS AT VISTA RIDGE HOMEOWNERS ASSOCIATION, INC.

of record as provided in Sections 2.6 and 6.1, and state that no Director candidate nominations will be considered at the annual meeting. The notice shall also state the opening and closing dates of a period in which the Secretary will accept petitions for the nominations of Director candidates. The period for accepting petitions shall be at least fourteen (14) calendar days. The notice shall be mailed at least three (3) calendar days before the opening of nominations. To be effective, each such nomination for a Director candidate must be by an owner (as of the established date of record) on a separate form and in a manner supplied with the notice by the Secretary and accompanied by a signed certification from the nominee stating that they are agreeable to nomination and will serve as Director if elected. After the close of nominations of at least one candidate for each Director vacancy, the Secretary shall cause written ballots to be sent to the address of record of each owner entitled to vote as of the date of record as provided in Sections 2.6 and 6.1.

^{xvi} **3.4 Vacancies.** [The last sentence of this re-numbered section is amended as follows] ... The term of service of each individual person so elected as Director shall be a Director the un-expired portion of the term of service for the Director vacancy until a successor is elected at the next annual meeting of the Association or the next special meeting of the Association called for that purpose.

^{xvii} **3.8 Organization Meeting.** [A portion of this re-numbered section -- formerly 3.7 -- is amended as follows] ... or following any Association meeting at which an election of Directors has been held, ... at the Association meeting at which the results of the election of Directors were required to be announced was held.

^{xviii} **6.1 General Records.** ... The Board of Directors shall maintain a list of owners entitled to vote at meetings of the Association and shall establish, as necessary, and consistent with applicable law, a record date for each vote not taken at a meeting.
