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After Recording Return to:

Zion Meadows, LLC  
9550 SE Clackamas Rd.  
Clackamas, Oregon 97015

Clackamas County Official Records  
Sherry Hall, County Clerk

2017-015110



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BYLAWS

OF

ZION MEADOWS HOME OWNERS ASSOCIATION

**BYLAWS  
OF  
ZION MEADOWS HOME OWNERS ASSOCIATION**

**ARTICLE 1  
DEFINITIONS**

1.1 Association. "Association" means ZION MEADOWS HOME OWNERS ASSOCIATION, a nonprofit corporation organized and existing under the laws of the State of Oregon.

1.2 Articles of Incorporation. "Articles of Incorporation" means the Articles of Incorporation of the Association.

1.3 Declaration. The "Declaration" means the Declaration of Covenants, Conditions, and Restrictions for Zion Meadows dated February 28<sup>th</sup>, 2017, recorded March 6<sup>th</sup>, 2017 as document 2017- 015109, Clackamas County Records, as the same may be subsequently amended or supplemented pursuant to the terms thereof.

1.4 Property. The "Property" subject to the Declaration and these Bylaws is legally described as Lots 1 through 43, and Tract A, Zion Meadows, pursuant to the plat filed in Clackamas County as document 2017- 015105, plat # 4483.

1.5 Incorporation by Reference. Except as otherwise provided herein, the terms that are defined in the Declaration are used in these Bylaws as therein defined.

**ARTICLE 2  
MEMBERSHIP**

2.1 Membership. Every Owner of one or more Lots within the Property shall, immediately upon creation of the Association and thereafter during the entire period of such ownership, be a Member of the Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

2.2 Membership List. The Secretary shall maintain at the principal office of the Association a membership list showing the name and address of the Owner of each Lot. The Secretary may accept as satisfactory proof of such ownership a duly executed and acknowledged conveyance, a title insurance policy, or other evidence reasonably acceptable to the Board of Directors.

**ARTICLE 3  
MEETINGS AND VOTING**

3.1 Place of Meetings. Meetings of the Members of the Association shall be held at such reasonable place convenient to the Members as may be designated in the notice of the meeting.

3.2 Turnover Meeting. Declarant shall call the first meeting of the Owners to organize the Association within ninety (90) days after termination of the Declarant's voting rights under Section 3.7.2 below. Notice of such meeting shall be given to all Owners as provided in Section 3.5. If the Declarant fails to call the meeting, the meeting may be called and notice given by any Owner or mortgagee of a Lot. The expense of giving notice shall be paid or reimbursed by the Association. No quorum is required for the Turnover Meeting. Nothing in this section shall be construed as preventing Declarant from calling the Turnover Meeting before such date or from calling informal, informational meetings of the Owners.

3.3 Annual Meeting. The annual meeting of the Members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such reasonable hour and on such reasonable day as may be established by the Board of Directors or, if the Board should fail to designate a date by the first day of September, then the meeting shall occur at 7:00 p.m. on the second (2<sup>nd</sup>) Monday in October. An annual meeting shall be held within each calendar year, commencing with the year in which the Association is incorporated. The Turnover Meeting may count as the annual meeting for the year in which it is held.

3.4 Special Meetings. A special meeting of the Association may be called at any time by the President or by a majority of the Board of Directors. A special meeting shall be called upon receipt of a written request stating the purpose of the meeting from Members having at least thirty percent (30%) of the voting rights entitled to be cast at such meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of meeting.

3.5 Notice of Meeting.

3.5.1 Written or printed notice stating the place, day and hour of the meeting, the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, any proposal to remove a director or officer and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) or more than fifty (50) days before the date of the meeting. Such notice shall be given either personally or by mail, by or at the direction of the President, the Secretary, or the persons calling the meeting, to each Member entitled to vote at such meeting and to all mortgagees who have requested such notice. Notices to Declarant shall be mailed. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail, with postage fully prepaid thereon, addressed to the Member at his or her most recent address as it appears on the records of the Association or to the mailing address of his or her Lot.

3.5.2 When a meeting is adjourned for thirty (30) days or more, or when a re-determination of the persons entitled to receive notice of the adjourned meeting is required by law, notice of the adjourned meeting shall be given as for an original meeting. In all other cases, no notice of the adjournment or of the business to be transacted at the adjourned meeting need be given other than by announcement at the meeting at which such adjournment is taken.

3.6 Quorum. At any meeting of the Association, except the Turnover Meeting, Members having at least twenty percent (20%) of the voting rights entitled to be cast at such meeting, present in person or by proxy, shall constitute a quorum, except when a larger quorum is required by the Declaration. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a Member or Members. 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 not less than forty-eight (48) hours from the time the original meeting was called until a quorum is present. The quorum for the adjourned meeting shall be reduced to ten percent (10%) of the voting rights entitled to be cast at the meeting, present in person or by proxy.

3.7 Voting Rights. Voting rights within the Association shall be allocated as follows:

3.7.1 Members. Members shall be entitled to one (1) vote for each Lot owned by the Member with respect to all matters upon which Owners are entitled to vote.

3.7.2 Declarant. Notwithstanding paragraph 3.7.1, Declarant reserves the right to vote on behalf of all Members of the Association, until one hundred eighty (180) days after Declarant has sold seventy-five percent (75%) of the Lots in the Property or until Declarant terminates its reservation of special Declarant rights by notice in writing to the Association.

3.8 Fiduciaries and Joint Owners. 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 such person shall satisfy the Secretary that he or she is the executor, administrator, guardian or trustee, holding such Lot in such capacity. Whenever a Lot is owned by two or more persons jointly, according to the records of the Association, the vote or proxy of such 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 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, unless a valid court order establishes the authority of a co-Owner to vote.

3.9 Tenants and Contract Vendors. Unless otherwise expressly stated in the rental agreement or lease, all voting rights allocated to a Lot shall be exercised by the Owner. Unless otherwise stated in the contract, all voting rights allocated to a Lot shall be exercised by the vendee of any recorded land sale contract on the Lot.

3.10 Absentee Ballots and Proxies. A vote may be cast in person, by absentee ballot or by proxy. A proxy given by an Owner to any person who represents such Owner at meetings of the Association shall be in writing and signed by such Owner, and shall be filed with the secretary, at any time prior to or at the start of the meeting. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting or to the Board of Directors if a vote is being conducted by written ballot in lieu of a meeting. A proxy shall not be valid if it is undated or purports to be revocable without notice. A proxy shall terminate one year after its date unless the proxy specifies a shorter term. Every proxy shall automatically cease upon sale of the Lot by its Owner. An Owner may pledge or

assign such Owner's voting rights to a mortgagee. In such a case, the mortgagee or its designated representative shall be entitled to receive all notices to which the Owner is entitled under these Bylaws and to exercise the Owner's voting rights from and after the time that the mortgagee shall give written notice of such pledge or assignment to the Board of Directors. Any first mortgagee may designate a representative to attend all or any meetings of the Association.

3.11 Majority Vote. The vote of a majority of the voting rights entitled to be cast by the Members present or represented by absentee ballot or proxy, at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Members, unless a greater proportion is required by law, by the Declaration, by the Articles of Incorporation, or by these Bylaws.

3.12 Rules of Order. All meetings of the Association shall be conducted according to the latest edition of *Robert's Rules of Order*, published by Robert's Rules Association.

3.13 Ballot Meetings.

3.13.1 At the discretion of the Board of Directors, any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Member who is entitled to vote on the matter; provided, however, that a ballot meeting may not substitute for the Turnover Meeting or, if a majority of the Lots are the principal residences of the occupants, for the annual meetings of the Association. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.

3.13.2 The Board of Directors shall provide Owners with at least ten (10) days' notice before written ballots are mailed or otherwise delivered. If, at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the Owners petition the Board of Directors requesting secrecy procedures, a written ballot must be accompanied by a secrecy envelope, a return identification envelope to be signed by the Owner, and instructions for marking and returning the ballot. The notice shall state the general subject matter of the vote, the right of the Owners to request secrecy procedures, the date after which ballots may be distributed, the date and time by which any petition must be received by the Board requesting secrecy procedures and the address where any petition must be received. Notwithstanding the applicable provisions of Section 3.13.3, written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

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

of the proposal equals or exceeds such required percentage. The proposal shall be deemed to be rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and such required percentage has not been met. Except as otherwise provided in Section 3.13.2, votes may be counted from time to time before the final return date to determine whether the proposal has passed or failed by the votes already cast on the date they are entered.

3.13.4 All solicitations for votes by written ballot shall state the number of responses needed to meet any applicable quorum requirement and the total percentage of votes needed for approval. All such solicitations for votes shall specify the period during which the Association will accept written ballots for counting, which period shall end on the earliest of (i) the date on which the Association has received a sufficient number of approving ballots to pass the proposal, (ii) the date on which the Association has received a sufficient number of disapproving ballots to render the proposal impossible of passage, or (iii) a date certain by which all ballots must be returned to be counted. A written ballot may not be revoked.

#### 3.14 Electronic Ballots.

3.14.1 As used in this section, "electronic ballot" means a ballot given by: (a) electronic mail; (b) facsimile transmission; (c) posting on a website; or (d) other means of electronic communication acceptable to the Board of Directors.

3.14.2 The Board of Directors, in its discretion, may provide that a vote, approval or consent of an Owner may be given by electronic ballot.

3.14.3 An electronic ballot may be accompanied by or contained in an electronic notice in accordance with Section 8.3.

3.14.4 If an electronic ballot is posted on a website, a notice of the posting shall be sent to each owner and shall contain instructions on obtaining access to the posting on the website.

3.14.5 A vote made by electronic ballot is effective when it is electronically transmitted to an address, location or system designated by the Board of Directors for that purpose.

3.14.6 Unless otherwise provided in the Declaration or these Bylaws or rules adopted by the Board of Directors, a vote by electronic ballot may not be revoked.

3.14.7 The board of directors may not elect to use electronic ballots unless there are procedures to ensure: (a) compliance with Section 3.13.2 above and ORS 94.647 if the vote conducted by written ballot uses secrecy procedures specified in ORS 94.647 (2)(b); and; (b) that the electronic ballot is secret, if the Declaration or these Bylaws or rules adopted by the Board require that electronic ballots be secret.

ARTICLE 4  
BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors of three (3) persons. All directors, other than interim directors appointed by Declarant, shall be Owners or co-Owners of Lots. For purposes of this section, the officers of any corporate Owner, the members or managers of any limited liability company and the partners of any partnership shall be considered co-Owners of any Lots owned by such corporation, limited liability company or partnership.

4.2 Interim Directors. Upon the recording of the Declaration, Declarant shall appoint an interim board of one (1) to three (3) directors, who shall serve until replaced by Declarant or until their successors have been replaced by the Owners as provided below.

4.3 Transitional Advisory Committee. Unless the Turnover Meeting has already been held, Declarant shall call a meeting of the Owners for the purpose of forming a Transitional Advisory Committee. The meeting shall be called within sixty (60) days after the date Declarant conveys fifty percent (50%) or more of the Lots then existing in Zion Meadows to Owners other than a successor Declarant. The committee shall consist of two (2) or more Owners elected by the Owners other than Declarant and not more than one (1) representative of Declarant. The Members shall serve until the Turnover Meeting. The Transitional Advisory Committee shall be advisory only, and its purpose shall be to enable ease of transition from administrative control of the Association by Declarant to control by the Owners. The committee shall have access to any information, documents and records that Declarant must turn over to the Owners at the time of the Turnover Meeting. If Declarant fails to call the meeting to elect a Transitional Advisory Committee within the time specified, the meeting may be called and notice given by any Owner. If the Owners fail to elect a Transitional Advisory Committee at the meeting called for such purpose, Declarant shall have no further obligation to form the committee.

4.4 Election and Tenure of Office.

4.4.1 At the Turnover Meeting, the interim directors shall resign and the Members shall elect three (3) directors, two (2) directors to serve for two (3) years and one (1) director to serve for one (1) year. Thereafter, the successors to each director shall serve for two (2) years. The nominees' terms shall be in order based on the number of votes received, with the largest number of votes serving the longest term. In the event of a tie, term selection shall be by random means. If a Director is unable to serve his full term, a successor Director shall be selected in accordance with Section 4.5 below.

4.4.2 All directors shall hold office until their respective successors have been elected by the Members. Election shall be by plurality.

4.5 Vacancies.

4.5.1 A vacancy in the Board of Directors shall exist upon the death, resignation, disqualification or removal of any director, or if the authorized number of directors is increased, or if the Members fail at any annual or special meeting of Members at which any director or directors are to be elected to elect the full authorized number of

directors to be voted for at that meeting. Vacancies in interim directors shall be filled by Declarant.

4.5.2 Vacancies in the Board of Directors, other than interim directors, may be filled by a majority of the remaining directors even though less than a quorum, or by a sole remaining director. Each director so elected shall hold office for the balance of the unexpired term and until his or her successor is elected.

4.6 Removal of Directors. All or any number of the directors, other than interim directors, may be removed, with or without cause, at any meeting of Members at which a quorum is present, by a vote of a majority of the number of votes entitled to be cast at an election of directors. No removal of a director shall be effective unless the matter of removal was an item on the agenda and stated in the notice of the meeting as provided in these Bylaws.

4.7 Powers. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law, or by the Declaration, or by these Bylaws may not be delegated to the Board of Directors by the Owners. The Board of Directors may delegate responsibilities to committees or a managing agent, but shall retain ultimate control and supervision. The powers and duties to be exercised by the Board of Directors shall include any provisions in the Declaration, the Oregon Planned Community Act, the Oregon Non-Profit Corporation Act, and the following:

4.7.1 Carry out the program for maintenance, upkeep, repair and replacement of any property required to be maintained by the Association as described in the Declaration and these Bylaws.

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

4.7.3 Prepare a budget for the Association, and assessment and collection of the Assessments.

4.7.4 Employ and dismiss such personnel as may be necessary for such maintenance, upkeep and repair.

4.7.5 Employ legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association; provided, however, the Board may not incur or commit the Association to incur legal fees in excess of \$5,000, or enters into a contingency fee agreement for legal fees, for any specific litigation or claim matter unless the Owners have enacted a resolution authorizing the incurring of such fees or such agreement by a vote of seventy-five percent (75%) of the voting rights present in person or by absentee ballot or proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to legal fees incurred in defending the Association or the Board of Directors from claims or litigation brought against them. The limitation set forth in this paragraph shall increase by \$500 on each fifth anniversary of the recording of the Declaration. To the extent required by the Oregon Planned Community Act, the Board shall notify the Owners before instituting litigation or administrative proceedings. With regard to any pending



litigation involving the Association, the Board shall periodically report to the Owners as to the status (including settlement offers), progress, and method of funding such litigation. Nothing in this paragraph shall be construed as requiring the Board to disclose any privileged communication between the Association and its counsel.

4.7.6 Open bank accounts on behalf of the Association and designating the signatories required therefore.

4.7.7 Prepare and file, or cause to be prepared and filed, any required income tax returns or forms for the Association.

4.7.8 Purchase Lots at foreclosure or other judicial sales in the name of the Association or its designee.

4.7.9 Sell, lease, mortgage, vote the votes appurtenant to (other than for the election of directors), or otherwise deal with Lots acquired by the Association or its designee.

4.7.10 Obtain insurance or bonds pursuant to the provisions of these Bylaws and review such insurance coverage at least annually.

4.7.11 Make additions and improvements to, or alterations of, the Common Areas.

4.7.12 From time to time adopt, modify, or revoke such rules and regulations governing the details for the operation of the Association, the conduct of persons and the operation and use of the Property as the Board of Directors may deem necessary or appropriate to ensure the peaceful and orderly use and enjoyment of the Property. Such action may be overruled or modified by vote of not less than seventy-five percent (75%) of the voting rights of Members present, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation of rules and regulations will be under consideration.

4.7.13 Enforce by legal means the provisions of the Declaration, these Bylaws, Oregon statutes, and any rules and regulations adopted hereunder.

4.7.14 In the name of the Association, maintain a current mailing address of the Association, file annual reports with the Oregon Secretary of State, and maintain and keep current the information required to enable the Association to comply with ORS 94.670.

4.7.15 Enter into management agreements with professional management firms and delegate such business and record keeping functions as may be appropriate to said management firm.

#### 4.8 Meetings.

4.8.1 Meetings of the Board of Directors shall be held at such place as may be designated from time to time by the Board of Directors or other persons calling the meeting.

4.8.2 Annual meetings of the Board of Directors shall be held within thirty (30) days following the adjournment of the annual meetings of the Members.

4.8.3 Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or by any two directors.

#### 4.9 Open Meetings.

4.9.1 All meetings of the Board of Directors shall be open to Owners except that, in the discretion of Board, the following may be considered in executive session: (i) consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation, or criminal matters; (ii) personnel matters, including salary negotiations and employee discipline; (iii) negotiation of contracts with third parties; and (iv) collection of unpaid assessments. 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 of Directors votes to meet in executive session, the presiding officer shall state the general nature of the action to be considered, as precisely as possible, when and under what circumstances the deliberations can be disclosed to Owners. The statement, motion or decision to meet in the executive session shall be included in the minutes of the meeting, and any contract or action considered in executive session shall not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which shall be reasonably identified in the open meeting and included in the minutes.

4.9.2 Meetings of the Board of Directors may be conducted by telephonic communication or by other means of communication that allows all Members of the Board participating to hear each other simultaneously or otherwise to be able to communicate during the meeting, except that if a majority of the Lots are principal residences of the occupants, then: (i) for other than emergency meetings, notice of each Board of Directors' meeting shall be posted at a place or places on the property at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform the Owners of such meeting; and (ii) only emergency meetings of the Board of Directors may be conducted by telephonic communication or such other means. The meeting and notice requirements of this Section may not be circumvented by chance or social meetings or by any other means.

#### 4.10 Notice of Meetings.

4.10.1 For other than emergency meetings, notice of Board of Directors meetings shall be posted at a place or places on the property at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform Owners of such meetings. Notice to Directors shall be considered sufficient if

actually received at the required time, or if mailed, e-mailed or faxed not less than three (3) days before the meeting. Such notice shall be directed to the address shown on the Association's records, or to the director's actual address ascertained by the person giving the notice. Such notice need not be given for an adjourned meeting if such time and place is fixed at the meeting adjourned.

4.10.2 Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.11 Quorum and Vote.

4.11.1 A majority of the directors shall constitute a quorum for the transaction of business. A minority of the directors, in the absence of a quorum, may adjourn from time to time, but may not transact any business.

4.11.2 The action of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors unless a greater number is required by law, the Declaration, the Articles of Incorporation or these Bylaws.

4.11.3 A director must be present at a meeting of the Board of Directors to cast a vote. No proxy votes by directors for Board actions are permissible.

4.12 Liability. Neither a Member of the Board of Directors nor an officer of the Association shall be liable to the Association, any Owner or any third party for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties so long as the individual acted in good faith, believed that the conduct was in the best interests of the Association, or at least was not opposed to its best interests, and in the case of criminal proceedings, had no reason to believe the conduct was unlawful. In the event any Member of the Board of Directors or any officer of the Association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall defend such individual against such claims and indemnify such individual against liability and expenses incurred to the maximum extent permitted by law. The managing agent of the Association, and its officers and employees, shall not be liable to the Association, the Owners or any third party on account of any action or failure to act in the performance of its duties as managing agent, except for acts of gross negligence or intentional acts, and the Association shall indemnify the managing agent and its officers and employees from any such claims, other than for gross negligence or intentional misconduct.

4.13 Compensation. No director shall receive any compensation from the Association for acting as such.

4.14 Committees. The Board may from time to time establish committees of the Board pursuant to ORS 65.354, including an Architectural Review Committee. Such standing or temporary committees as may be necessary from time to time consisting of Owners and at least one Member of the Board of Directors shall have such powers as the Board of Directors may designate. Such committees shall hold office at the pleasure of the Board.

4.15 Enforcement Procedures. The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Declaration, these Bylaws or the Rules and Regulations. To the extent specifically required by the Declaration, the Board of Directors shall comply with the following procedures prior to the imposition of sanctions:

4.15.1 Notice. The Board of Directors or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator shall have fourteen (14) days to present a written request for a hearing before the Board of Directors or a covenants committee appointed by the Board of Directors, if any; and (iv) a statement that the proposed sanction may be imposed as contained in the notice unless a hearing is requested within fourteen (14) days of the notice.

4.15.2 Response. The alleged violator shall respond to the notice of the alleged violation in writing within such fourteen (14) day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction. If the alleged violator cures the alleged violation and notifies the Board of Directors in writing within such fourteen (14) day period the Board of Directors may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions by any person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided, however, that the Board of Directors or covenants committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the fourteen (14) day period. Any response or request for a hearing shall be delivered to the Association's manager, President or Secretary, or as otherwise specified in the notice of violation.

4.15.3 Proof of Notice. Prior to the effectiveness of sanctions imposed pursuant to this section, proof of proper notice shall be placed in the minutes of the Board of Directors or covenants committee, as applicable. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

4.15.4 Hearing. If a hearing is requested within the allotted fourteen (14) day period, the hearing shall be held before the Board of Directors or the covenants committee, as applicable. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing (i.e., the decision) and the sanction, if any, to be imposed.

4.15.5 Appeal. Following a hearing before the covenants committee, if applicable, the violator shall have the right to appeal the decision to the Board of Directors. To exercise this right, the violator must deliver a written notice of appeal to the Association's manager, President or Secretary within ten (10) days after the hearing date.

4.15.6 Enforcement Policies. The Board of Directors, by resolution, may adopt additional policies and procedures governing enforcement of the Declaration, these Bylaws or the Rules and Regulations.

## ARTICLE 5 OFFICERS

5.1 Designation and Qualification. The officers of the Association shall be the President, the Secretary, the Treasurer, and such Vice Presidents and subordinate officers as the Board of Directors shall from time to time appoint. Each officer shall be a Member of the Board of Directors. Any two offices, except the offices of President and Secretary, may be held by the same person.

5.2 Election and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board to serve for one (1) year and until their respective successors are elected. If any office shall become 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.

5.3 Removal and Resignation.

5.3.1 Any officer may be removed upon the affirmative vote of a majority of the Directors whenever, in their judgment, the best interests of the Association will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

5.3.2 Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective, provided, however, that the Board of Directors may reject any postdated resignation by notice in writing to the resigning officer. The effectiveness of such resignation shall not prejudice the contract rights, if any, of the Association against the officer so resigning.

5.4 President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have powers of general supervision, direction and control of the business and affairs of the Association. He or she shall preside at all meetings of the Members and of the Board of Directors. He or she shall be an ex officio Member of all the standing committees, including the executive committee, if any, shall have the general powers and duties of management usually vested in the office of president of a nonprofit corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.5 Vice Presidents. The Vice Presidents, if any, shall perform such duties as the Board of Directors shall prescribe. In the absence or disability of the President, the President's duties and powers shall be performed and exercised by the Senior Vice President as designated by the Board of Directors.

5.6 Secretary.

5.6.1 The Secretary shall keep or cause to be kept a book of minutes of all meetings of directors and Members showing the time and place of the meeting, whether it was regular or special, and if special, how authorized, the notice given, the names of those present at directors' meetings, the number of memberships present or represented at Members' meetings and the proceedings thereof.

5.6.2 The Secretary shall give or cause to be given such notice of the meetings of the Members and of the Board of Directors as is required by these Bylaws or by law. The Secretary shall keep the seal of the Association, if any, and affix it to all documents requiring a seal, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

5.6.3 If there are no Vice Presidents, then in the absence or disability of the President, the President's duties and powers shall be performed and exercised by the Secretary.

5.7 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements. The books of accounts shall at all reasonable times be open to inspection by any director. The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. The Treasurer shall disburse or cause to be disbursed the funds of the Association as may be ordered by the Board, shall render to the President and directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

5.8 Compensation of Officers. No officer shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the Members.

ARTICLE 6  
ASSESSMENTS, RECORDS AND REPORTS

6.1 Assessments. As provided in the Declaration, the Association, through its Board of Directors, shall do the following:

6.1.1 Assess and collect from every Owner Assessments in the manner described in the Declaration.

6.1.2 Keep all funds received by the Association as Assessments, other than reserves described in the Declaration, in the Operations Fund and keep all reserves collected pursuant to the Declaration in the Reserve Fund and use such funds only for the purposes described in the Declaration.

6.1.3 From time to time, and at least annually, prepare a budget for the Association, estimating the common expenses expected to be incurred with adequate allowance for reserves based upon the reserve study required by the Declaration, and determine whether the Annual Assessment should be increased or decreased. Within thirty (30) days after adopting a proposed annual budget, the Board of Directors shall provide a summary of the budget to all Owners. If the Board of Directors fails to adopt a budget, the last adopted annual budget shall continue in effect.

6.1.4 Fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of any Assessment shall be sent to every Owner subject thereto and to any first mortgagee requesting such notice. The due dates shall be established by the Board of Directors, which may fix a regular flat Assessment payable on a monthly, quarterly, semiannual or annual basis. The Board of Directors shall cause to be prepared a roster of the Lots showing Assessments applicable to each Lot. The roster shall be kept in the Association office and shall be subject to inspection by any Owner or mortgagee during regular business hours. Within ten (10) business days after receiving a written request, and for a reasonable charge, the Association shall furnish to any Owner or mortgagee a recordable certificate setting forth the unpaid Assessments against such Owner's Lot. Such certificate shall be binding upon the Association, the Board of Directors, and every Owner as to the amounts of unpaid Assessments

6.1.5 Enforce the Assessments in the manner provided in the Declaration.

6.1.6 Keep records of the receipts and expenditures affecting the Operations Fund and Reserve Fund and make the same available for examination by Members and their mortgagees at convenient hours, maintain an Assessment roll showing the amount of each Assessment against each Owner, the amounts paid upon the account and the balance due on the Assessments, give each Member written notice of each Assessment at least 30 days before the time when such Assessments shall become due and payable; and for a reasonable charge, promptly provide any Owner or mortgagee who makes a request in writing with a written certificate of such Owner's unpaid Assessments.

6.2 Records. The Association shall keep within the State of Oregon correct and complete financial records sufficiently detailed for proper accounting purposes, keep minutes of the proceedings of its Members, Board of Directors and committees having any of the authority of the Board of Directors, and retain all documents, information and records turned over to the Association by Declarant. All documents, information and records delivered to the Association by Declarant pursuant to ORS 94.616 shall be kept within the State of Oregon.

6.3 Statement of Assessments Due. The Association shall provide, within ten (10) business days after receipt of a written request from an Owner or mortgagee, a written statement that provides: (a) the amount of assessments due from the Owner and unpaid at the time the request was received, including regular and special assessments, fines and other charges, accrued interest, and late-payment charges; (b) the percentage rate at which interest accrues on assessments that are not paid when due; and (c) the percentage rate used to calculate the charges for late payment or the amount of a fixed-rate charge for late payment. The Association is not

required to comply with this section if the Association has commenced litigation by filing a complaint against the Owner and the litigation is pending when the statement would otherwise be due.

6.4 Inspection of Books and Records. Except as otherwise provided in ORS 94.670, during normal business hours or under other reasonable circumstances, the Association shall make reasonably available for examination and, upon written request, available for duplication, by Owners, lenders, and holders of any mortgage of a Lot that make the request in good faith for a proper purpose, current copies of the Declaration, Articles, Bylaws, Rules and Regulations, amendments or supplements to such documents and the books, records, financial statements and current operating budget of the Association. The Association shall maintain a copy, suitable for purposes of duplication, of each of the following: (a) the Declaration, these Bylaws, the Rules and Regulations and any amendments or supplements to them, (b) the most recent financial statement of the Association, and (c) the current operating budget of the Association. The Association, within ten (10) business days after receipt of a written request by an Owner, shall furnish copies of such documents to the requesting Owner. Upon written request, the Association shall make such documents, information and records available to such persons for duplication during reasonable hours. 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 such documents, information or records. The fee may include reasonable personnel costs for furnishing the documents, information or records.

6.5 Payment of Vouchers. The Treasurer or managing agent shall pay all vouchers for all budgeted items and for any non-budgeted items, up to \$1,000 signed by the President, managing agent, manager or other person authorized by the Board of Directors. Any voucher for non-budgeted items in excess of \$1,000 shall require the authorization of the President or a resolution of the Board of Directors.

6.6 Execution of Documents. The Board of Directors may, except as otherwise provided in the Declaration, Articles of Incorporation, or these Bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement, to pledge its credit, or to render it liable for any purpose or for any amount.

6.7 Reports and Audits. An annual financial statement consisting of a balance sheet and an income and expense statement for the preceding year shall be rendered by the Board of Directors to all Owners, and to all mortgagees who have requested the same, within ninety (90) days 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 Members. At any time any Owner or holder of a mortgage may, at their own expense, cause an audit or inspection to be made of the books and records of the Association. Subject to ORS 94.670 (4) and its applications, if the Association has annual assessments exceeding \$75,000, it shall cause the financial statement required herein to be



reviewed within 180 days after the end of the fiscal year by an independent certified public accountant licensed by the State of Oregon.

## ARTICLE 7 INSURANCE

7.1 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 for out of the Operations Fund, the insurance required under the Declaration.

7.2 Planned Community Act Requirements. The insurance maintained by the Association shall comply with the requirements of the Oregon Planned Community Act, ORS 94.550 to 94.780.

## ARTICLE 8 MISCELLANEOUS PROVISIONS

8.1 Seal. The Board of Directors may, by resolution, adopt a corporate seal.

8.2 Notice. All notices to the Association or to the Board of Directors shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. All notices to Members shall be sent to the Member's home or to such other address as may have been designated by the Member from time to time in writing to the Board of Directors.

8.3 Electronic Notices. Except as set forth below, and notwithstanding any requirement under the Declaration or these Bylaws or ORS 94.550 to 94.783, in the discretion of the Board of Directors, any notice, information or other written material required to be given to an Owner or director under the Declaration or these Bylaws or ORS 94.550 to 94.783, may be given by electronic mail, facsimile or other form of electronic communication. Notwithstanding the first sentence of this section, electronic mail, facsimile or other form of electronic communication may not be used to give notice of: (a) Failure to pay an assessment; (b) Foreclosure of an Association lien under ORS 94.709; or (c) An action the association may take against an Owner. An Owner or director may decline to receive notice by electronic mail, facsimile or other form of electronic communication and may direct the Board of Directors to provide notice in the manner required under the Declaration or these Bylaws or ORS 94.550 to 94.783.

8.4 Waiver of Notice. Whenever any notice to any Member or director is required by law, the Declaration, the Articles of Incorporation, or these Bylaws, a waiver of notice in writing signed at any time by the person entitled to notice shall be equivalent to the giving of the notice.

8.5 Action Without Meeting. Any action that the law, the Declaration, the Articles of Incorporation or the Bylaws require or permit the Members to take at any meeting may be taken without a meeting or ballot meeting if a consent in writing setting forth the action so taken is signed by all of the Members entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the Members, shall be filed in the records of minutes of the Association.

8.6 Conflicts. These Bylaws are intended to comply with the Oregon Planned Community Act, the Oregon Nonprofit Corporation Law, the Declaration and the Articles of Incorporation. In case of any irreconcilable conflict, such statutes and documents shall control over these Bylaws.

## ARTICLE 9 AMENDMENTS TO BYLAWS

9.1 How Proposed. Amendments to these Bylaws shall be proposed by either a majority of the Board of Directors or by Members holding at least thirty percent (30%) of the voting rights entitled to be cast for such amendment. 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 or be attached to any request for consent to the amendment.

### 9.2 Adoption.

9.2.1 A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Members and may be approved by the membership at a meeting called for such purpose, by a ballot meeting pursuant to Section 3.13, or by written consent of the Members. Members not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution must be approved by Members holding a majority (at least 50%) of the voting rights, voting in person, by proxy, or by ballot, at a meeting or ballot meeting of the Association at which a quorum is represented. Amendment or repeal of any provision of these Bylaws that is also contained in the Declaration must be approved by the same voting requirement for amendment of such provision of the Declaration.

9.2.2 Notwithstanding the provisions of the preceding paragraph, until the Turnover Meeting has occurred, Declarant shall have the right to amend these Bylaws in order to comply with the requirements of the Federal Housing Administration, the United States Department of Veterans Affairs, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon that insures, guarantees or provides financing for a planned community or lots in a planned community. After the Turnover Meeting, any such amendment shall require the approval of a majority of the voting rights of the Association, voting in person, by proxy, or by ballot, at a meeting or ballot meeting of the Association at which a quorum is represented.

9.3 Relationship to Declaration. If a provision required to be in the Declaration under ORS 94.580 is included in these Bylaws, the voting requirements for amending the Declaration shall also govern the amendment of the provision in these Bylaws.

9.4 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 ORS 94.625, acknowledged and recorded in the Deed Records of Clackamas County, Oregon.

By: [Signature]  
Its: President

STATE OF OREGON )  
                    Clackamas )ss.  
COUNTY OF ~~MULTNOMAH~~ )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of February, 2017, by Kiril Ivanov, President for Zion Meadows Home Owners Association and he acknowledged to me that he executed the same freely and voluntarily.

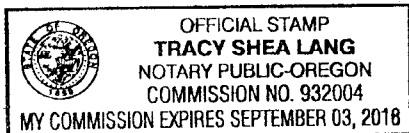


[Signature]  
Notary Public for Oregon  
My commission expires: September 3 2018

By: [Signature]  
Its: Secretary

STATE OF OREGON )  
                    Clackamas )ss.  
COUNTY OF ~~MULTNOMAH~~ )

The foregoing instrument was acknowledged before me this 28 day of February, 2017, by Karin Irish, Secretary for Zion Meadows Home Owners Association and she acknowledged to me that she executed the same freely and voluntarily.



[Signature]  
Notary Public for Oregon  
My commission expires: September 3 2018

184  
5m  
After Recording Return to:

Zion Meadows, LLC  
9550 SE Clackamas Rd.  
Clackamas, OR 97015

Clackamas County Official Records  
Sherry Hall, County Clerk

2017-015109



\$143.00

02030679201700151090180183

03/06/2017 01:49:58 PM

PD-COV Cnt=2 Stn=2 COUNTER3  
\$90.00 \$5.00 \$16.00 \$22.00 \$10.00

### DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ZION MEADOWS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ZION MEADOWS is made this 28 day of February, 2017 by JJID, LLC, an Oregon limited liability company ("JJID") and Zion Meadows, LLC, an Oregon limited liability company ("Declarant"),

#### RECITALS

A. JJID is the owner of the real property legally described on Exhibit A (the "Property") and Declarant is leasing the property pursuant to a Ground Lease. Owner and Declarant desire to make the Property subject to this Declaration of Covenants, Conditions and Restrictions.

B. This Declaration shall establish the governance structure for the community known as Zion Meadows ("Community"). This Community is established as a 43 lot residential PUD under applicable City of Sandy ordinance and a planned community under the provisions of the Oregon Planned Community Act, ORS 94.550 et seq. (the "Act").

#### ARTICLE I CREATION OF THE COMMUNITY

1.1 Purpose and Intent. JJID, as owner of the real property described in EXHIBIT A, and Declarant as ground lessee, intend by recording this Declaration to create a general plan of development for the Community, subject to the provisions of the Oregon Planned Community Act as a Class II planned community. This Declaration provides for the overall development, administration, maintenance, and preservation of the real property now and hereafter comprising the Community. An integral part of the development plan is the creation of an Association comprised of all owners of real property in the Community to own, operate, and maintain a

natural open space, and to administer and enforce this Declaration and the other Governing Documents referred to in this Declaration.

1.2 Binding Effect. All property described in EXHIBIT A shall be owned, conveyed, and used subject to all of the provisions of this Declaration, which shall run with the title to such property. This Declaration shall be binding upon all Persons having any right, title, or interest in any portion of the Community, their heirs, successors, successors-in-title, and assigns.

This Declaration shall be enforceable by Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns, perpetually to the extent permitted by law. If, however, the period for the enforcement of covenants running with the land is limited by law, this Declaration shall be enforceable as provided above for a period of 20 years. After such time, this Declaration shall be extended automatically for successive periods of 10 years each, unless an instrument signed by a majority of the then Owners has been recorded within the year preceding any extension, agreeing to amend, in whole or in part, or terminate this Declaration, in which case this Declaration shall be amended or terminated as specified in such instrument. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

1.3 Governing Documents. In the event of a conflict between or among the Governing Documents and any such additional covenants or restrictions made applicable to the Community, or the provisions of any other rules or policies governing the Community, the Governing Documents shall control. All provisions of the Governing Documents shall apply to all Owners and to all occupants of their Lots, as well as their respective tenants, guests, and Invitees. Any lease on a Lot shall provide that the lessee and all occupants of the leased Lot shall be bound by the terms of the Governing Documents.

## ARTICLE 2 CONCEPTS AND DEFINITIONS

The terms used in the Governing Documents shall generally be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below.

2.1 "Articles of Incorporation" or "Articles": The Articles of Incorporation of the Association, as filed with the Oregon Secretary of State.

2.2 "Association": The non-profit association of Owners formed in accordance with ORS 94.625 and for the purpose of administering this Declaration on behalf of the Owners, and its successors or assigns. The name of the Association will be Zion Meadows Home Owners Association.

2.3 "Base Assessment": Assessments levied on all Lots subject to assessment under Article 6 to fund Common Expenses for the general benefit of all Lots, as determined in accordance with Section 6.1.

2.4 "Board of Directors" or "Board": The body responsible for administration of the Association, selected as provided in the By-Laws and serving as the board of directors under Oregon corporate law.

2.5 "Builder": Any Person who purchases one or more Lots for the purpose of constructing improvements for later sale to consumers, or who purchases one or more parcels of land within the Community for further subdivision, development, and/or resale in the ordinary course of such Person's business.

2.6 "By-Laws": The By-Laws of the Association adopted pursuant to ORS 94.625, which shall be adopted by the Board and recorded in Clackamas County, as they may be amended.

2.7 "City": The City of Sandy.

2.8 "Class "B" Control Period": The period of time during which the Class "B" Member is entitled to appoint all of the members of the Board. The Class "B" Control Period expires upon the first to occur of the following:

- a. When 100% of the total number of Lots for the property described in **EXHIBIT A** have been conveyed to Class "A" Members other than Builders;
- b. A date 10 years from the date this Declaration is recorded; or
- c. When, in its discretion, the Class "B" Member so determines.

2.9 "Common Areas": All real and personal property, including easements, which the Association owns, leases, or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners, including, without limitation, Tract A as designated on the Plat for Zion Meadows.

2.10 "Common Expenses": The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents.

2.11 "Community": The real property described in EXHIBIT A, and all improvements thereto.

2.12 "Declarant": Zion Meadows, LLC or any successor or assign who takes title to any portion of the property described in Exhibit A for the purpose of development and/or sale and who is designated as a Declarant in a recorded instrument executed by the immediately preceding Declarant or assigned all or a portion of Declarant's rights hereunder. Upon a designation of a successor Declarant, all rights and responsibility of the former Declarant in and to such status as "Declarant" under this Declaration shall cease.

2.13 "Declaration": This Declaration of Covenants, Conditions, and Restrictions for Zion Meadows.

2.14 "Governing Documents": A collective term referring to this Declaration, the By-Laws, and the Articles, as each may be amended.

2.15 "Local Jurisdiction": The City of Sandy or any other governmental authority having jurisdiction over the Community, for a matter described in this Declaration.

2.16 "Member": A Person subject to membership in the Association pursuant to Section 4.2.

2.17 "Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Lot. A "Mortgagee" shall refer to a beneficiary or holder of a Mortgage.

2.18 "Owner": One or more Persons who hold the record title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is sold under a recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner.

2.19 "Permits": Collectively, the permits, land use restrictions and conditions of Plat approval as determined, approved and issued by the Local Jurisdiction related to the development and construction of improvements located at the Community, as such may be amended or modified from time to time.

2.20 "Plat": The plat of the real property described in EXHIBIT A, together with all requirements described or referenced therein.

2.21 "Special Assessment": An assessment levied in accordance with Section 6.2.

2.22 "Lot": A lot as designated on the Plat.

### ARTICLE 3 MAINTENANCE AND REPAIR

3.1 Maintenance of Common Areas. The Association shall maintain the Common Areas pursuant to Section 5.2.

### ARTICLE 4 THE ASSOCIATION AND ITS MEMBERS

4.1 Function of Association. The Association is the entity responsible for management, maintenance, operation, and control of the Common Areas. The Association also is the primary entity responsible for enforcement of the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents, the Permits and applicable law.

4.2 Membership. Every Owner shall be a Member of the Association. There shall be only one membership per Lot. If a Lot is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the

restrictions on voting set forth in Section 4.3c and in the By-Laws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, member, partner, or trustee, or by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

4.3 Voting. The Association shall have two classes of membership, Class "A" and Class "B."

- a. Class "A". Class "A" Members shall be all Owners except the Class "B" Member, if any. Class "A" Members shall have one equal vote for each Lot in which they hold the interest required for membership under Section 4.2, except that there shall be only one vote per Lot.
- b. Class "B". The Class "B" Member shall be the Declarant, or if Declarant's rights are assigned, Declarant's assignee. The Class "B" Member may appoint all of the members of the Board of Directors during the Class "B" Control Period, as specified in the By-Laws. The Class "B" membership shall terminate upon the earlier of (i) five (5) years after expiration of the Class "B" Control Period; or (ii) when, in its discretion, Declarant so determines and declares in a recorded instrument. Upon termination of the Class "B" membership, Declarant shall be a Class "A" Member entitled to Class "A" votes for each Lot which it owns.
- c. Exercise of Voting Rights. Members may exercise voting rights as set forth in the By-Laws. If there is more than one Owner of a Lot, the vote for such Lot shall be exercised as the co-Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

4.4 Notice. Any notice provided for in this Declaration shall be served personally or shall be mailed by registered or certified mail, as follows:

- a. If to the Association, to the president or secretary of the Association at the principal office of the Association, or at such other address of which it has given notice in accordance with this Section, or to the registered agent of the Association, as such registered agent is identified in the records of the Secretary of State of the State of Oregon (or any successor agency thereof);
- b. if to an Owner, to such Owner at the address of such Owner's Lot or such other address as the Owner has registered with the Association, or such registered agent is identified in the records of the Secretary of State of the State of Oregon (or any successor agency thereof).

All such notices shall, for all purposes, be deemed delivered (a) upon personal delivery to the party or address specified above or (b) on the third (3rd) day after mailing when mailed by registered or certified mail, postage prepaid, and properly addressed. The Board may designate additional methods of giving notice by promulgation of rules describing the alternative methods of providing notice, including the adoption of providing notice electronically.



4.5 Turnover. No later than ninety (90) days after the expiration of Class "B" Control Period provided in Section 2.8 above, the Declarant shall call a meeting for the purpose of turning over administrative control of the Association from the Declarant to the Owners. The Declarant shall give notice of the meeting to each Owner as provided in the Bylaws. If the Declarant does not call the meeting required under this subsection, any Owner may do so.

4.6 Transitional Advisory Committee. Declarant shall form a Transitional Advisory Committee to provide for the transition of administrative control of the Association from the Declarant to the Association within sixty (60) days of the sale of fifty percent (50%) of the Lots in the Community, consistent with the requirements of ORS 94.604.

## ARTICLE 5 ASSOCIATION POWERS AND RESPONSIBILITIES

5.1 Acceptance and Control of Association Property. The Association, through action of its Board, may acquire, hold, and dispose of tangible and intangible personal property and real property. JJID and/or Declarant and Declarant's designees may convey to the Association personal property and fee title, leasehold or other property interests in any real property. The Association shall accept and maintain such property at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association and any obligations or conditions appurtenant to such property.

5.2 Maintenance of Common Areas. The Association shall maintain the Common Areas.

The Common Areas shall not be reduced by amendment of this Declaration or any other means except with (i) Declarant's prior written approval as long as Declarant owns any property described in EXHIBIT A of this Declaration and, (ii) to the extent the Common Areas consist of open spaces and amenities related thereto specifically dedicated to or required by the City as a condition to approving the Community, City's prior written approval.

5.3 Insurance.

- a. Required Coverages. After the conclusion of the Class "B" Control Period, or sooner if elected by Declarant, the Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:
  - i. Commercial general liability insurance on the Common Areas, insuring the Association and its Members with limits of (if generally available at reasonable cost, including primary and any umbrella coverage) at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage, or such additional coverage and higher limits which a reasonably prudent person would obtain;

- ii. Workers' compensation insurance and employers liability insurance, if and to the extent required by law;
  - iii. Directors and officers liability coverage;
  - iv. Such additional insurance as the Board, in its best business judgment determines;
  - v. Premiums for all such insurance on the Common Areas shall be Common Expenses, unless the Board reasonably determines that other treatment of the premiums is more appropriate.
- b. Policy Requirements. The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the vicinity of the Community. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 5.3a. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Lots as a Specific Assessment.

5.4 Implied Rights: Board Authority. The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

The Board may institute, defend, settle, or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Areas, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute litigation on behalf of or in the name of the Association or its members.

5.5 Indemnification of Officers, Directors, and Others. To the fullest extent permitted by Oregon law, the Association shall indemnify every officer, director, volunteer and committee member of the Association against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit

or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

5.6 Effect of Dissolution of Association. In the event that the Association is dissolved and is no longer licensed as a non-profit corporation, the rights and duties of the Association (including, but not limited to, all ownership interest in the Common Areas) shall vest in Owners, as an unincorporated association. Any Owner or any Mortgagee may reinstate the Association's corporate status, or create a successor entity as a successor to the Association, at any time by filing with the State of Oregon such documents as required by law to reinstate the Association or create its successor; and upon such reinstatement, the Owners' rights and duties, as described in this Declaration, shall re-vest in the reinstated or successor Association, and all owners shall be members thereof with all rights to vote provided by law and the organizational documents of the entity. To the greatest extent possible, any successor entity shall be governed by the Articles and Bylaws of the Association as if they had been made to constitute the governing documents of the successor entity.

## ARTICLE 6 ASSOCIATION FINANCES

6.1 Budgeting and Allocating Common Expenses. At least sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year, including any contributions to be made to a reserve fund pursuant to Section 6.2. The budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Lots, and the amount to be generated through the levy of Base Assessments and Special Assessments against the Lots, as authorized in Section 6.4.

The Association is hereby authorized to levy Base Assessments equally against all Lots subject to assessment under Section 6.3 to fund the Common Expenses. In determining the Base Assessment rate per Lot, the Board may consider any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the fiscal year.

Declarant may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant under Section 6.4b, which may be either a contribution, an advance against future assessments due from Declarant, or a loan, in Declarant's discretion. Any such subsidy shall be disclosed as a line item in the income portion of the budget. Payment of such subsidy in any year shall not obligate Declarant to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and Declarant.

Within thirty (30) days after the adoption of a final budget by the Board, the Board shall send to each Owner a copy of the final budget, notice of the amount of the Base Assessment to be levied pursuant to such budget, and notice of a meeting to consider ratification of the budget. Such meeting shall be held not less than fourteen (14) nor more than sixty (60) days from the mailing of such materials, or within such other time period that may be mandated by law for non-profit homeowner associations. The budget and assessment shall be ratified unless disapproved at a meeting by Members representing more than 50% of the total Class "A" votes in the Association and by the Class "B" Member, if such exists. Such ratification shall be effective whether or not a quorum is present.

If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined. The Board may revise the budget and adjust the Base Assessment from time to time during the year, subject to the notice requirements and the right of the Members to disapprove the revised budget as set forth above.

Association profits, if any, shall be the property of the Association and shall be contributed to fund Common Expenses.

6.2 Special Assessments. In addition to other authorized assessments, the Association may levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied as a Common Expense against the entire membership, if such Special Assessment is for Common Expenses, or against the Owners benefited by the Special Assessment, if the Special Assessment is made for the limited benefit of less than all of the Members. Except as otherwise specifically provided in this Declaration, any Special Assessment shall require the affirmative vote or written consent of Members (if a Common Expense) representing more than 50% of the total votes allocated to Lots which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B" Member, if such exist. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

6.3 Authority to Assess Owners; Time of Payment. Declarant hereby establishes and the Association is hereby authorized to levy assessments as provided for in this Article and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Lot, after the Board first determines a budget and levies assessments, six months after the Lot is submitted to this Declaration. The first annual Base Assessment levied on each Lot shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Lot.

Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Lot and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Lot, the Board may require the outstanding balance on all assessments to be paid in full immediately.

#### 6.4 Obligation for Assessments.

- a. **Personal Obligation.** Each Owner, by accepting a deed or entering into a recorded contract of sale for a Lot, is deemed to covenant and agree to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 12% per annum or such other rate as the Board may establish, subject to the limitations of Oregon law), late charges as determined by Board resolution, costs, and reasonable attorneys' fees, shall be the personal obligation of each Owner and a lien upon each Lot until paid in full. Upon a transfer of title to a Lot, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

No Owner is exempt from liability for assessments by non-use of the Common Areas, abandonment of the Owner's Lot, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate in writing signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

- b. **Declarant's Option to Fund Budget Deficits.** During the Class "B" Control Period, Declarant may satisfy its obligation for assessments, if any, on Lots which it owns either by paying such assessments in the same manner as any

other Owner or by paying the difference between the amount of assessments levied on all other Lots subject to assessment and the amount of actual expenditures by the Association during the fiscal year. Unless Declarant otherwise notifies the Board in writing at least sixty (60) days before the beginning of each fiscal year, Declarant shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. Regardless of Declarant's election, Declarant's obligations hereunder may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these. After termination of the Class "B" Control Period, Declarant shall pay assessments on its unsold Lots in the same manner as any other Owner.

- c. Exemption from Assessment. During the Class "B" control period, there shall be no assessment of any kind for Lots or any other property owned by Declarant, any Builder, or those persons holding any Declarant rights, without the consent of a Declarant, Builder or the holder of such Declarant's rights.

6.5 Lien for Assessments. The Association shall have a lien against each Lot to secure payment of delinquent assessments, as well as interest, late charges (subject to the limitations of Oregon law), and costs of collection (including attorneys' fees and costs, whether or not a lawsuit shall be involved). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any Mortgage recorded before the recordation of the lien (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or nonjudicial foreclosure.

The Association may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Lot. While a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Lot had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

Sale or transfer of any Lot shall not *affect* the assessment lien or relieve such Lot from the lien for any subsequent assessments. However, the sale or transfer of any Lot pursuant to foreclosure of the Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure. The subsequent Owner to the foreclosed Lot shall not be personally liable for assessments on such Lot due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Lots subject to assessment under Section 6.3, including such acquirer, its successors and assigns.

6.6 Suspension of Voting Rights. In the event any Member shall be in arrears in the payment of the assessments due or shall be in default of the performance of any of the terms of this Declaration, the Articles and Bylaws of the Association, the rules or regulations adopted by the Association, for a period of thirty (30) days, the Member's right to vote may be suspended by the Board, and if suspended shall remain suspended until all payments, together with interest,

late fees, and attorneys' fees and costs, if any, are brought current and all defaults remedied. In addition, the Association shall have such other remedies against such delinquent Members as may be provided in the Articles, Bylaws, this Declaration, or Oregon state law.

6.7 Exempt Property. The Common Areas and any property dedicated or conveyed to and accepted by any governmental authority or public utility shall be exempt from payment of Base Assessments and Special Assessments. In addition, Declarant and/or the Association shall have the right, but not the obligation, to grant exemptions to certain Persons qualifying for tax exempt status under Section 501(c) of the Internal Revenue Code so long as such Persons own property subject to this Declaration for purposes listed in Section 501(c).

6.8 Capitalization of Association. The Board, in its discretion, may order that upon acquisition of record title to a Lot by the first Owner thereof other than Declarant or a Builder, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount set by resolution of the Board. This amount shall be in addition to, not in lieu of, the annual Base Assessment and shall not be considered an advance payment of such assessment. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association for use in covering operating expenses and other expenses incurred by the Association pursuant to this Declaration and the By-Laws.

#### ARTICLE 7 ADDITIONAL RIGHTS RESERVED TO DECLARANT

7.1 Right to Develop Improvements. Declarant and Declarant's employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Common Areas for the purpose of making, constructing, and installing such improvements to the Common Areas as Declarant deems appropriate in its sole discretion, so long as such improvements are not inconsistent with the permitted uses and purposes of the Common Areas as defined in the Permit. Except for those items required by the Local Jurisdiction or any Permit, Declarant does not intend and is not obligated to build any Improvements; however, Declarant shall have the right, but not the obligation, to add Improvements not described in the Declaration.

7.2 Right to Approve Additional Covenants. No Person shall record any declaration of covenants, conditions, and restrictions or similar instrument affecting any portion of the Community without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed and recorded by Declarant.

7.3 Right to Transfer or Assign Declarant Rights. Any or all of Declarant's special rights and obligations set forth in this Declaration or the By-Laws may be transferred in whole or in part to other Persons; provided, the transfer shall not reduce an obligation nor enlarge a right beyond that which Declarant has under this Declaration or the By-Laws. No such transfer or assignment shall be effective unless it is in a written instrument signed and recorded by Declarant. The foregoing sentence shall not preclude Declarant from permitting other Persons to exercise, on a one-time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety, and in such case it shall not be

necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

7.4 Termination of Rights. The rights contained in this Article shall not terminate until the earlier of (a) thirty (30) years from the date this Declaration is recorded, or (b) recording by Declarant of a written statement that all sales activity has ceased.

## ARTICLE 8 EASEMENTS

8.1 Easements in Common Areas. Declarant grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Areas, subject to:

- a. The Governing Documents and any other applicable covenants;
- b. Any restrictions or limitations contained in any deed conveying such property to the Association;
- c. The Board's right to:
  - i. adopt Rules and Regulations governing the use and enjoyment of the Common Areas, including rules limiting the number of guests who may use the Common Areas;
  - ii. dedicate or transfer all or any part of the Common Areas, subject to such approval requirements as may be set forth in this Declaration (including without limitation, City approval to the extent such Common Areas consist of open space and amenities related thereto specifically dedicated to or required by the City as a condition to approving the Community);
  - iii. mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred subject to the approval requirements contained in this Declaration.

8.2 Easements of Encroachment. Declarant grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Areas and between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

8.3 Easements for Utilities, etc. Declarant reserves for Declarant the non-exclusive right and power to grant and record such specific easements as may be necessary, in the sole



discretion of Declarant, in connection with the orderly development of any property described in EXHIBIT A, or such additional property subjected to the terms of this Declaration. The location of the easement shall be subject to the written approval of Owner of the burdened property, which approval shall not unreasonably be withheld, delayed or conditioned.

#### ARTICLE 9 CHANGES OF LOT OWNERSHIP

Any Owner desiring to sell or otherwise transfer title to the Owner's Lot shall give the Board at least seven (7) days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Each transferee of a Lot shall, within seven (7) days of taking title to a Lot, confirm that the information previously provided by the transferor is complete and accurate. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Lot, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title.

#### ARTICLE 10 CHANGES IN THE COMMON AREAS

10.1 Condemnation. If any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association and used for such purposes as the Board shall determine.

10.2 Partition. Except as permitted by the City, the Common Areas shall remain undivided, and no Person shall bring any action partition of any portion of the Common Areas without the written consent of all Owners and Mortgagees. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of real property which may or may not be subject to this Declaration.

10.3 Transfer or Dedication of Common Areas. The Association may transfer, dedicate, or grant easements over portions of the Common Areas to any other local, state, or federal governmental or quasi-governmental entity without a vote of the Owners, provided, however, prior written City approval shall be necessary for the transfer or dedication of Common Areas consisting of open spaces and amenities specifically dedicated to or required by the City as a condition to approving the Community.

#### ARTICLE 11 AMENDMENT AND DECLARATION

11.1 By Declarant. In addition to specific amendment rights granted elsewhere in this Declaration, until conveyance of the first Lot to a Person other than a Builder, Declarant may unilaterally amend this Declaration for any purpose. Thereafter, but prior to turnover to the Association, Declarant may unilaterally amend this Declaration if such amendment is necessary

to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination as further set forth in ORS 94.585.

In addition, so long as Declarant owns property described in EXHIBIT A for development as part of the Community, any amendment to the Declaration shall require Declarant's prior written consent.

11.2 By Members. Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of 75% of the total votes of each class of member that is entitled to vote, and Declarant's consent, so long Declarant owns any property subject to this Declaration.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

11.3 Validity and Effective Date. No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class "B" Member without Declarant's written consent or the Class "B" Member, respectively (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

11.4 Severability. If any provision of this Declaration is determined by judgment or court order to be invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications.

[Signatures on following pages.]

IN WITNESS WHEREOF, the undersigned Declarant and JJID as owner have executed this Declaration the date and year first written above.

JJID:

JJID, LLC, an Oregon limited liability company

By: David Gilbert

Name: David Gilbert

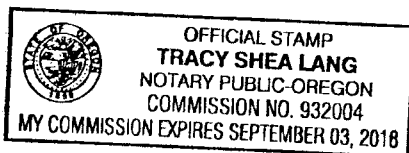
Title: Manager

STATE OF OREGON )

) ss.

COUNTY OF Multnomah )

Personally appeared before me on the 28 day of February, 2017, the above-named David Gilbert who did say he was a manager of JJID, LLC, and that this instrument was signed in behalf of said limited liability company by authority of its operating agreement; and acknowledged that he executed the foregoing as its voluntary act and deed.



Tracy Shea Lang  
NOTARY PUBLIC for Oregon,  
My Commission expires: September 3 2018.

DECLARANT:

Zion Meadows, LLC, an Oregon limited liability company

By:

Name: Kiril Ivanov

Title: Manager

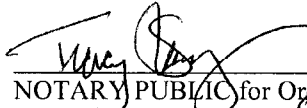
STATE OF OREGON )

) ss.

COUNTY OF CLACKAMAS )

Personally appeared before me on the 28<sup>th</sup> day of February, 2017, the above-named Kiril Ivanov who did say he was a manager of Zion Meadows, LLC, and that this instrument was signed in behalf of said limited liability company by authority of its operating agreement; and acknowledged that he executed the foregoing as its voluntary act and deed.



  
NOTARY PUBLIC for Oregon,  
My Commission expires: September 3, 2018

**EXHIBIT A**  
Legal Description

Lots 1-43, and Tract A, Zion Meadows, County of Clackamas, State of Oregon.