

**AMENDED and RESTATED BYLAWS
OF
MOUNTAIN RANCH PROPERTY OWNERS ASSOCIATION**

THESE AMENDED and RESTATED BYLAWS are made with the approval of at least 51% of the total votes in the Mountain Ranch Property Owners Association and are effective upon recordation on _____, 2014.

**ARTICLE 1
NAME AND LOCATION**

The name of the corporation is MOUNTAIN RANCH PROPERTY OWNERS ASSOCIATION, hereinafter referred to as the "Association." The principal address of the corporation shall be designated by the Board of Directors. Meetings of members and directors may be held at such places within the State of Oregon, County of Jackson, as may be designated by the Board of Directors.

**ARTICLE 2
DEFINITIONS**

2.1 "Association" shall mean and refer to Mountain Ranch Property Owners Association, its successors and assigns.

2.2 "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

2.3 "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

2.4 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

2.5 "Owner" shall mean and refer to the record owner, whether one or many persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

2.6 "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Recorder, Jackson County, Oregon.

2.7 "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

**ARTICLE 3
MEETING OF MEMBERS**

3.1 Annual Meetings. The annual meeting of the members shall be held on the second Tuesday of February, at a time set by the Board that is no earlier than 6:00 P.M. nor later than 7:30 P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

3.2 Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

3.3 Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage paid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

3.4 Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. For the purpose of establishing a quorum under this section, an individual who holds a proxy and an absentee ballot counts as a present owner.

3.5 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Lot.

3.6 Meeting by Written Ballot. A Meeting by Written Ballot allows a vote or action to be taken by the Association without a formal gathering. Except for the types of actions and meetings listed below, any action that may be taken at any Annual or Special Meeting of the Association may be taken without a formal gathering if the Association delivers a written ballot to every Owner that is entitled to vote on the matter. A Meeting by Written Ballot is not permitted to:

- (a) Substitute for the Annual Meeting if more than 50% of the Lots are the principal residences of the Occupants,
- (b) Consider a proposal to remove a director from the Board of Directors, or
- (c) Substitute for a Special Meeting of the Association called as a result of a petition of the Owners.

A Meeting by Written Ballot shall be conducted in accordance with the procedures detailed in Oregon Revised Statutes 94.647. If the Meeting by Written Ballot is not proposed to be conducted using secrecy procedures, prior notice shall be sent to Owners informing them of their right to request secrecy procedures per ORS 94.647. Secrecy procedures, as described in the Oregon Revised Statutes, shall be used when requested by at least 10 percent of the Owners in the manner outlined in the Oregon Revised Statutes. The results of any action or vote taken at a Meeting by Written Ballot shall be determined by the Board of Directors within 48 hours of the deadline for return of ballots. Each Owner shall be notified by mail or other delivery of written notice of the results of the Meeting by Written Ballot.

3.7 Electronic Notice. Any notice, information or other written material required to be given to an Owner or Director under the Declaration, Bylaws, or Oregon Revised Statutes may be given by electronic mail, facsimile, or other form of electronic communication, except notice of collection action for failure to pay an assessment, notice of foreclosure of an Association lien, or notice of action the Association may take against an Owner.

ARTICLE 4
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

4.1 Number. The affairs of this Association shall be managed by a Board of six (6) Directors, all of whom must be an Owner or the co-Owner of a Lot. An officer or employee of a corporation or the trustee of a trust, or personal representative of an estate, or an employee of the trust or estate may serve on the Board of Directors, if the corporation, trust, or estate owns a Lot.

4.2 Term of Office. At each annual meeting members shall elect two (2) directors for a term of three (3) years.

4.3 Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor.

4.4 Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his or her duties.

4.5 Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE 5
NOMINATION AND ELECTION OF DIRECTORS

5.1 Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations are to be made from members.

5.2 Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 6
MEETINGS OF DIRECTORS

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, at such place and hour as may be fixed from time to time by resolution of the Board. Upon the approval of the Board a monthly meeting may be canceled, however there must be a minimum of nine (9) meetings per year. All meetings of the Board of Directors of the Association shall be open to owners, except that at the discretion of the Board, the Board may close the meeting to owners other than Board members and meet in executive session to consult with legal counsel, consider personnel matters, negotiate contracts with third parties, or consider collection of unpaid assessments. For other than emergency meetings, notice of Board of Directors meetings shall be provided by a method reasonably calculated to inform lot owners of such meetings three days prior to the meeting.

6.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

6.3 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE 7 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 Powers. The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) Employ a manager, or such other employees as they deem necessary, and to prescribe their duties; and
- (f) Employ an independent contractor for such duties as the Board may prescribe.

7.2 Duties. It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) As more fully provided in the Declaration, to:
 - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) in advance of each annual assessment period; and
 - (3) At their discretion, foreclose the lien against any property for which assessments are not paid within thirty (30) after due date or to bring an action at law against the Owner personally obligated to pay the same.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any member, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association; and
- (f) Cause the Common Area to be maintained.

ARTICLE 8 OFFICERS AND THEIR DUTIES

8.1 Enumeration of Offices. The officers of this Association shall be a president, a vice-president, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create. The president and vice-president shall at all times be members of the Board of Directors. Other officers may be, but need not be, Board members.

8.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

8.3 Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

8.4 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written or electronic notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

8.7 Multiple Offices. The office of secretary-treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to section 4 of this Article.

8.8 Duties. The Duties of the officers are as follows:

8.8.1 President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, promissory notes, deeds, and other written instruments.

8.8.2 Vice-President. The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

8.8.3 Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the members, as appropriate; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

8.8.4 Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board

of Directors; shall sign all checks and promissory notes of the Association; shall have an authorized Board member co-sign all checks over two hundred dollars (\$200); keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE 9 COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE 10 BOOKS AND RECORDS

10.1 Inspection. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

10.2 Audit. The Board shall have an annual audit by an independent CPA of the books and records of the Association. An independent review, as that term is defined by the American Institute of Certified Public Accountants, may be substituted for an audit with the approval of the Board. At its discretion for any fiscal year, the Board may appoint an Association member, who is neither an officer nor a Board member, to perform a non-independent review of the Association's books and records and substitute such review for an independent audit or review by a professional CPA.

ARTICLE 11 ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum calculated on a daily basis, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his or her Lot.

ARTICLE 12 CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words:

MOUNTAIN RANCH PROPERTY OWNERS ASSOCIATION

**ARTICLE 13
AMENDMENTS**

13.1 These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

13.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

**ARTICLE 14
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year.

The attached Amended and Restated Bylaws of the Mountain Ranch Property Owners Association were adopted in accordance with the Bylaws and ORS 94.625.

The Mountain Ranch Property Owners Association held a vote by written ballot of all the Owners and the Amended and Restated Bylaws were approved by the owners of 59 Lots, or 80% of the Owners/Members of the Association.

Signatures

Date

Doug Kay
President of Mountain Ranch Property Owners Association

Kathleen Brown
Secretary of Mountain Ranch Property Owners Association

State of Oregon
County of Jackson

This instrument was acknowledged before me on _____, 2014 by Doug Kay as President of Mountain Ranch Property Owners Association and Kathleen Brown as Secretary of Mountain Ranch Property Owners Association.

Notary Public for Oregon

My Commission Expires: _____

Seal: