

# BYLAWS OF OREGON TRAIL HOMEOWNER'S ASSOCIATION

## ARTICLE I.

### NAME AND LOCATION.

The name of the homeowner's association is OREGON TRAIL HOMEOWNER'S ASSOCIATION, hereinafter referred to as the "Association". Meetings of members and directors of the Association may be held at such places within Washington County, Oregon, as may be designated by the Board of Directors.

## ARTICLE II.

### DEFINITIONS.

The following definitions shall be used for the Association's Bylaws:

Section 1. "Association" shall mean and refer to OREGON TRAIL HOMEOWNER'S ASSOCIATION, its successors, and assigns.

Section 2. "Properties" shall mean and refer to that certain real property shown on the plat (s) of any platted phase of the Oregon Trail Subdivision, Washington County, Oregon, described in the Declaration of Covenants, Conditions, and Restrictions, as recorded. Any such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Areas" shall mean any real property or interest in real property, such as an easement interest, within the Oregon Trail Subdivision that has been or will be dedicated for common use and enjoyment of the Members.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat within the Properties.

Section 5. "Member" shall mean and refer to the owner, whether one or more persons or entities, of any lot, including contract purchasers, but does not include a person holding only a security interest in a Lot for the performance of an obligation.

Section 6. "Declaration" shall mean and refer to the Declaration of the Covenants, Conditions, and Restrictions applicable to the Properties, as recorded in the office of County Records for Washington County, Oregon, and any recorded amendments or supplements thereto.

**ARTICLE III.****ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.**

Section 1. Membership. Each person who is a record owner of the fee simple interest in any Lot or is the contract purchaser of any Lot shall be a Member of the Association. The foregoing statement is not intended to include persons or entities that hold an interest merely as a security for the performance of an obligation. All Members of the Association shall be governed and controlled by these Bylaws. Upon the sale, transfer, assignment, or other termination of any Member's interest as owner or contract purchaser in any such Lot, such person's membership shall terminate.

Section 2. Voting. Upon all matters that come before the Association, each Owner (Member) shall have one vote. Owners of one or more Lots shall have one vote for each Lot owned or being purchased on contract. Owners of one or more than one attached units in an Attached Building Site shall have one vote for each attached unit owned or being purchased on contract. In other words, the voting power of a member who owns one Lot is equal to the voting power of a member who owns one attached unit, regardless of the difference in assessments paid by those two owners.

In the case of ownership as tenants in common or joint ownership, including tenancy by the entirety, or a Lot or Lots, or of an attached unit or units, the tenants in common or joint owners shall be entitled to one vote only for each Lot or unit so owned.

**ARTICLE IV.****MEETINGS OF MEMBERS.**

Section 1. Annual Meetings. Each annual meeting of the Members shall be held in the months of April or May at such place within the City of Sherwood and at such hour and on such date as the President may designate. Annual meetings of the Members shall be held within the City of Sherwood. If by April 30<sup>th</sup> of any given year, the President has failed to designate the time and specific place for the annual meeting, then the Vice-President shall designate the time and place of the annual meeting. The annual meeting shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

Section 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 votes.

Section 3. Notice of Meetings. Written notice of each meeting shall be given by, or at the direction of, the Secretary or other person authorized to call the meetings, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote at the meeting. Notices shall be addressed to the Member's address as that address last appeared on the roster of the Association, or to the address supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and the hour of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. At a meeting of the Members, the presence of (including the presence of proxy votes) thirty percent (30%) of all votes that could be cast by all Members shall constitute a quorum for any action, except as otherwise provided in these Bylaws. If, however, a quorum is not present or represented at any meeting, two-thirds (2/3) of Members entitled to vote at the meeting shall have the power to adjourn and reschedule the meeting for a time and place within the City of Sherwood for the purpose of



attempting to gather a quorum. Such a rescheduled meeting can be held without notice other than by announcement at meeting which was adjourned for a lack of quorum.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies must be documented in writing signed by the Member who is entitled to cast the vote. All proxies must be filed with the Secretary to be effective. Every proxy shall be revocable and shall automatically become void upon the conveyance by a Member of his or her Lot.

## ARTICLE V.

### BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE.

Section 1. Number. The Affairs of the Association shall be managed by a Board of Directors of not less than three (3) directors who need not be Members of the Association.

Section 2. Term of Office. At each annual meeting, the Members shall elect one director per each vacant position for a term of two (2) years. Directors may be re-elected by the Members after their term has expired.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Association. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining directors on the Board and shall serve for the unexpired term of his or her predecessor.

Section 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 or her actual expenses incurred in the performance of his or her duties.

Section 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 of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

## ARTICLE VI.

### NOMINATION AND ELECTION OF DIRECTORS.

Section 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 of the Members. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and two or more Members of the Association. The Board of Directors shall appoint a new Nominating Committee prior to each annual meeting of the Members, which Committee shall serve from the close of such annual meeting for a term of one (1) year. The Nominating Committee shall make as many nominations for election to the Board of Directors as the committee shall in its discretion determine, but not fewer than the number of vacancies that are to be filled. Such nominations may be made from among the Members or non-Members

**Section 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. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VII.

### MEETING OF DIRECTORS.

**Section 1. Regular Meetings.** Regular meetings of the Board of Directors shall be held as needed with notice, at such place and hour as may be fixed from time to time by resolution of the Board; notice shall be posted in a clear place (or places) within the Oregon Trail Subdivision. Such notice shall be posted at least three days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform Members of such meeting. Should a regular meeting be scheduled on a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. All meetings of the Board of Directors of the Association shall be open to all Members.

**Section 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.

**Section 3. Emergency Meetings.** Emergency meetings may be held without notice, if grounds for the emergency are stated in the minutes of the meeting. Only emergency meetings of the Board of Directors may be conducted by telephone communications.

**Section 4. 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 deemed an act of the Board.

## ARTICLE VIII.

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

**Section 1. Powers.** The Board of Directors shall have the power to:

- a. Adopt and publish rules and regulations governing the use of personal and real property administered by the Association, and the personal conduct of the Members and their guests with respect to such property, and to establish penalties for infractions of such rules.
- b. Suspend the voting rights and the rights of a Member to use any recreational facilities that are administered by the Association during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and a hearing, for a period not to exceed 60 days for an infraction of a published rule or regulation.
- c. Exercise for the Association all powers and authority vested in the Association, and carry out all duties delegated to the Association, so long as such powers, authority and duties are not reserved to the membership by another provision of these Bylaws or by the Declaration.



- d. Declare the office of a member of the Board of Directors to be vacant in the event such Director is absent from two (2) consecutive regular meetings of the Board of Directors.
- e. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe the duties of such persons, including without limiting the foregoing, the employment of personnel necessary for the maintenance, upkeep, and repair of the real and personal property administered by the Association.
- f. Improve and/or maintain any public open space or park contiguous to any phase of Oregon Trail using Association funds. Said improvement and/or Maintenance shall be done only upon a majority vote of the membership, written permission of the governing public body and only in the event said governing public body is unwilling or unable to fund the improvements or maintenance expenses.

Section 2. Duties. The Board of Directors shall have the duty to:

- a. Keep a complete record of all of the Board's acts and the Association's 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. Adopt an annual budget for the real and personal property to be administered by the Association. A summary of the budget shall be provided to the Members within thirty (30) days after preparation. If the Board of Directors is petitioned by Members representing twenty percent (20%) of the votes that can be cast, the Board shall call a meeting of the Members to consider rejection of the budget. The date of the meeting shall be not less than fourteen (14), nor more than thirty (30), days after the summary is provided to the members. At the meeting, whether or not a quorum is present, the budget shall be adopted, unless a majority or more of the votes of the Members present rejects the budget. If the proposed annual budget is rejected, the last annual budget shall continue effect until the Members approve a new budget.
- c. Supervise all officers, agents, and employees of the Association, and assure that their duties are properly performed.
- d. As more fully provided in these Bylaws, to:
  - (1) fix the amount of the annual assessment against each Lot and against each unity in an attached building site at least thirty (30) days in advance of each annual assessment period; and
  - (2) send written notice of each assessment to every Member subject to an assessment, which notice shall be mailed at least thirty (30) days in advance of each annual assessment period.

**ARTICLE IX.****BOARD OFFICERS.**

Section 1. Designation of the Board Officers. The principal officers of the Board of Directors shall be a President, a Vice-President, a Secretary and a Treasurer. 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 such duties as the Board may, from time to time, determine.

Section 2. Term. The officers of the 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 be disqualified to serve.

Section 3. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written 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 in the notice. Unless otherwise specified in the notice, an acceptance of such resignation shall not be necessary to make the resignation effective.

Section 4. Vacancies. A vacancy in any office may be filled with an 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.

Section 5. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person may simultaneously hold more than one or any other offices, except in the case of special offices created by the Board.

Section 6. Duties. The duties of the officers are as follows:

- a. 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; shall sign all leases, mortgages, deeds, and other written instruments, shall within thirty (30) days of his/her election, appoint at least two (2) Members to serve on a Financial Review Committee for the purpose of reviewing the Association's financial records for the preceding twelve (12) months; and shall co-sign all checks and promissory notes.
- b. Vice President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.
- c. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of the Members; service notice of meetings of the Board and of the Members; maintain a current roster of all Members of the Association, together with their addresses; and shall serve such other duties as may be required of him or her by the Board.
- d. 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 co-sign all checks and promissory notes of the Association; shall keep proper books of account; shall provide at each meeting of the Board: a) a balance sheet, b) an itemized list of all transactions for the time period from the previous Board Meeting, and c) a copy of all accounts payable for the time period from the previous Board Meeting; and shall prepare an annual budget and an annual financial statement to be presented to the membership at its regular annual



meeting. At least five (5) days prior to such annual meeting, copies of the annual financial statement and proposed annual budget shall be delivered to all members.

## ARTICLE X.

### BOOKS AND RECORDS.

The books, records, papers, and other documents of the Association, including but not limited to those kinds of documents identified in Article V, Section 1 above, shall be available, at the principal office of the Association, for inspection by any Member during reasonable business hours. The financial records shall be sufficiently detailed for proper accounting purposes. Within ninety (90) days after the end of the fiscal year, the Board of Directors shall distribute to each Member and upon the request of any mortgagee of a Lot, a copy of the annual financial statement consisting of a balance sheet and income and expense statement for the preceding fiscal year. Actual expenditures shall be listed and reported in the detail including payee, amount, and date of payment.

Without limiting the scope of the directive contained in the above paragraph, the following documents shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost: the Declaration, these Bylaws and any amendments or supplements thereto, the most recent annual financial statement, and the current operating budget of the Association.

## ARTICLE XI.

### ASSESSMENT.

Section 1. Annual Dues. The annual dues shall be \$84 per year. The annual dues may be amended at an annual or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy.

Section 2. Payment of Dues. The annual dues shall be paid in one annual payment. Each annual payment shall be made on January 1<sup>st</sup> but no later than January 31<sup>st</sup> of each year. A Member elected to membership after January 1<sup>st</sup> in any year, shall pay, within 20 days from that election, the prorate of the annual dues for the balance of that fiscal year.

Section 3. Special Assessments. Special assessments may be levied upon the members of the Association for capital improvements and only after a vote of two-thirds (2/3) of the majority of all Members of the Associations who are permitted to vote.

Section 4. Purpose of the Assessments and Dues. The assessments and dues shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the properties of the Subdivision. In addition, it shall be used for the improvement and maintenance of the common areas and sensitive land areas including, but not limited to, the maintenance of landscaping, tree pruning, brushing, drainage, erosion control, and the general up-keep of the sensitive land areas and common areas to maintain an aesthetically pleasing appearance and to retain the value of all of the Lots within this Subdivision.

Section 5. Effect of Non-Payment of Assessment or Dues. If the dues or any assessment are not paid within thirty (30) days after the due date, then the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. The Association may bring an action at law against any member delinquent in his or her obligation to pay an assessment, and may foreclose on the

Association's lien against the assessed property. In the event that the Association in such a suit, the Member shall be personally obligated to pay, in addition to the assessment and interest accrued thereon, those costs and reasonable attorney fees incurred by the Association in bringing such legal action and in collecting all amounts owed under a Judgment in favor of the Association. No owner may waive or otherwise escape liability for the assessments by abandonment of his or her lot.

Section 6. Assignment of Dues. In the event any member whose dues are paid shall, during the year in which such dues are paid, terminates membership by sale of the member's Lot or residential unit in the subdivision, the Member shall be entitled to assign to the buyer of the Lot or residential unit the benefit of the paid-up dues.

Section 7. Insufficient Funds Fee. Any Member writing a personal check from an account that is determined to have insufficient funds will incur a \$20 processing fee payable to the Association.

## ARTICLE XII.

### AMENDMENTS.

Section 1. These Bylaws and Covenants may be amended at an annual or special meeting of the Member, by a vote of two-thirds of the Members, except that the Federal Housing Administration, the Veterans Administration, or the Declarant shall have the right to veto amendments.

Section 2. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

## ARTICLE XIII.

### FISCAL YEAR.

Section 1. The fiscal year of the Association shall begin on the first day of January and end of the 31<sup>st</sup> day of December every year.

## ARTICLE XIV.

### DISSOLUTION.

Section 1. If the Association is dissolved, the assets shall be dedicated to a public body, or conveyed to a nonprofit organization with similar purposes.



**ARTICLE XV.**

**INSURANCE.**

Section 1. The Board of Directors shall obtain:

- a. Insurance for all insurable improvements in the common property against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. The insurance shall cover the full replacement cost of any repair or reconstruction in the even of damage or destruction from any such hazard if the insurance is available at a reasonable cost;
- b. A public liability policy covering all common property and all damage or injury caused by the negligence of the Association; and
- c. Board of Directors and Officers Insurance.

Section 2. Premiums for insurance obtained under this Section shall be a common expense of the Association. The policy may contain a reasonable deductible and the amount of the deductible shall be added to the face amount of the policy to determine whether or not the insurance equals at least full replacement costs.