

BY-LAWS OF HARTUNG FARMS HOMEOWNERS ASSOCIATION

ARTICLE I

DEFINITIONS

The following terms, when used herein, shall have the following meanings unless a different meaning is plainly required by the context.

1.1 "Association" shall mean HARTUNG FARMS HOMEOWNERS ASSOCIATION

1.2 "Common Area" shall mean all real property shown or declared as such in any recorded subdivision/plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties

1.3 "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions of HARTUNG FARMS applicable to the Properties.

1.4 "The Properties" shall mean the real property described as HARTUNG FARMS as recorded in Plat

Records of Washington County, Oregon, and such additional property as may be brought within the jurisdiction of the Association in the manner provided in the Declaration

1.5 "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.

1.6 "Townhouse" shall mean and refer to a single-family residence upon a Townhouse Site which is a part of a larger building containing other Townhouses, and, with respect to each such Townhouse, shall be deemed to include the real property owned in connection therewith.

1.7 "Member" shall mean and refer to every person of entity who holds membership in the Association.

1.8 "Owner" shall mean and refer to the record owner (including contract purchaser), whether one or more persons or entities, of any lot which is part of The Properties, excluding those having such interest merely as security for the performance of an obligation.

1.9 "Declarant" shall mean and refer to EDWARD J. STRANDBERG, his heirs, successors and assigns, if such hirers, successors or assigns should acquire more than one undeveloped lot or building from the Declarant for the purpose of development.

ARTICLE II

PURPOSES

The purpose of purposes for which the Corporation is organized are:

2.1 To engage without profit to its members in such activities as may promote the health, safety, welfare and common good of the residents of the community known as HARTUNG FARMS, residing in those certain tracts of property described as HARTUNG FARMS, Washington Country, Oregon, and in such additional property as may be brought within the jurisdiction of this Corporation in the manner provided in the Declaration.

2.2 To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as defined and set forth in the Declaration applicable to the property and recorded in the office of the Country Clerk of Washington Country, Oregon, as such Declaration may be from time to time amended, including, without limitation, the establishment and enforcement of payment of charges or assessments pursuant to the terms of such Declaration.

2.3 To provide for the maintenance, preservation and operation of The Properties, including the streets therein.

2.4 To provide, maintain and operate a community building or buildings, parks, athletic facilities, and other recreational facilities which will be of benefit to the members.

2.5 To acquire by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease as lessor or lessee, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Corporation.

ARTICLE III

MEMBERSHIP

3.1 Eligibility. Every person or entity who is a record owner (including contract purchasers and excluding contract sellers) of a fee or undivided interest in lots of Townhouses location upon any part of The Properties shall, by virtue of such ownership, be a member of the Association.

Membership

shall be appurtenant to and may not be separated from ownership of any lot or Townhouses made subject to the jurisdiction of the Association. Such ownership shall be the sole qualification for

membership, and shall automatically commence upon a person or entity becoming such owner of record, and shall automatically terminate and lapse when such ownership in said property shall terminate of record or be transferred of record.

ARTICLE IV

VOTING RIGHTS

There shall be two classes of voting membership:

4.1 Class A Members. Class A Members will be all those members other than the Declarant. Class A members will be entitled to one vote for each lot and two-thirds of one vote for each

Townhouse in which they held an interest required for membership by Article III. When more than one person or entity holds such interest in any lot or Townhouse, all such persons or entities shall be members.

The vote for such lot or Townhouse shall be exercised as they, among themselves, determine, or if unable to agree, they may cast fractional votes proportionate to their ownership interests, but in no event shall more than one Class A vote be cast with respect to any one lot, or more than two-thirds of one Class A vote be cast with respect to any one Townhouse.

4.2 Class B Members. The Class B Member(s) shall be the Declarant, his heirs, successors and assigns. Class B Member(s) shall be entitled to three (3) votes for each lot, and two (2) votes for each Townhouse, in which he holds the interest required for membership by Article III.

4.3 Additional Class B Voting Rights. If additional property is subjected to the jurisdiction of the Association by recorded covenants as provided in the Declaration, it shall be entitled to Class B votes for such additional property.

4.4 Conversion of Class B Votes. Existing Class B votes shall be converted to Class A votes upon the happening of either of the following events, whichever occurs earlier:

- (a) When the total outstanding votes in the Class A membership equal twice the total votes outstanding in the Class B membership, or
- (b) On a date ten (10) years from the date of the filing of the duly recorded plat of HARTUNG FARMS.

ARTICLE V

OFFICES

5.1 Principal Office. The principal office of the Association shall be located in Washington County, Oregon.

5.2 Registered Office. The registered office of the Corporation required by the Oregon Business Corporation Act to be maintained in the State of Oregon may be, but need not be, identical with the principal office in the State of Oregon, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE VI

MEETINGS OF MEMBERS

6.1 Place. The annual meeting of the members for the election of directors and all special meeting of members for that or for any other purpose may be held at such time and place within Washington County, Oregon, as shall be stated in the notice of the meeting.

6.2 Date and Time. The annual meeting of the members shall be held on the first Monday in the month of May in each year, if not a legal holiday, and if a legal holiday, then on the next business day, at the hour of 8:00 o'clock P.M., at which time members shall elect a Board Of Directors and transact such other business as may be properly brought before the meeting.

6.3 Time of Notice. Written notice of the place, date and hour of the annual meeting shall be given by mail, postage prepaid, at the address of the member as shall appear in the records of the Association or as supplied by the member to the Association for the purpose of notice. Such notice shall be so mailed not less than seven (7) days nor more than (50) days prior to the date of such meeting. However, notice shall be mailed to each member as hereinabove set forth not less than thirty (30) days nor more than fifty (50) days, with respect to any meeting called to consider any of the following matters:

- (a) Additions to the Properties, when requiring such vote.
- (b) Dedication, sale or transfer of any of the Common Area.

- (c) Merger or consolidation

- (d) Mortgage of any of the Common Area.

- (e) Dissolution of the Association.

- (f) Levy of Special assessments for capital improvements of the Common Areas.

6.4 Contents Of Notice. The notice of the meeting shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

6.5 Special Meetings. Special meetings of the members may be called at any time by

- (a) A majority vote of the Board of Directors.

- (b) The Board of Directors, upon written request of Class A members who are entitled to vote one quarter ($\frac{1}{4}$) of the votes of the Class A membership.

- (c) The Board of Directors, upon written request of Class B member(s) who are entitled to vote one quarter ($\frac{1}{4}$) of the votes of the Class B membership.

6.6 Quorum. Except as hereafter provided, the presence at any meeting in person or by proxy of members entitled to cast one tenth ($\frac{1}{10}$) of the votes of each class of membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereon shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as set forth above shall be present or be represented. The presence at any meeting in person or by proxy of those members entitled to cast sixty-six and two-thirds percent

(66-2/3%) of the votes of each class of membership shall constitute a quorum for action on those matters listed in preceding Section 6.3 requiring less than thirty (30) days notice.

If the required quorum for any matters set forth in this Section requiring sixty-six and two-thirds percent (66-2/3%) of the votes of each class of membership shall not be forthcoming at a meeting, or another meeting may be called, subject to the notice requirements set forth in this Article, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum set at the preceding meeting, but no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

6.7 Proxies. A member may vote in person or by proxy executed in writing and filed with the secretary. Every proxy shall be revocable and shall automatically terminate upon termination of membership.

ARTICLE VII

BOARD OF DIRECTORS

7.1 Number. The number of directors which shall constitute the entire Board of Directors shall be five (5) Directors shall be members of the Association.

7.2 Tenure. The Directors named in the Articles of Incorporation shall serve until the first annual meeting. Thereafter, directors shall be elected at the annual meeting of members, except as provided in.

Section 7.3, and each director shall be elected to serve until the next annual meeting or until his successor has been elected and has qualified. Any director may resign at any time. The members entitled to vote for the election of directors may remove a director at any time, with or without cause.

7.3 Vacancies. If any vacancies occur on the Board of Directors by reason of death, resignation, retirement, disqualification or removal from office of any director, with or without cause, the remaining director(s) then in office, although less than a quorum, may choose a successor or successors, and a director so chosen shall hold office until the next annual meeting of the members or until his successor has been elected and has qualified.

7.4 Compensation. No director shall receive compensation for any service he may render to the Association as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties as a director, and may receive compensation for service to the Association in other capacities than as a director.

7.5 Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee appointed by the president and consisting of a chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The

nominating committee shall make as many nominations as it shall in its discretion determine, but not less than five. The report of the nominating committee shall be included in the notice of the annual meeting. Nominations may also be made from the floor at the annual meeting.

7.6 Election. In any case where the number of nominations exceeds the number of vacancies, election shall be by secret written ballot. At each election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to vote by the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

MEETINGS OF THE BOARD

8.1 Location. The Board of Directors of the Association shall hold its meetings, both regular and special, within the State of Oregon. No payment for the expense of attending meetings shall be made for any meeting held outside of Washington County, Oregon.

8.2 Time. Within ten (10) days after each annual meeting of members, the directors shall hold an organizational meeting for the purpose of electing officers, as hereinafter provided, and for the transaction of such other business as may come before the meeting.

8.3 Notice. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

8.4 Special Meetings. Special meetings of the Board of Directors may be called by the chairman of the Board on two (2) days' notice to each director, either personally or by mail or by telegram. Special meetings shall be called by the chairman in like manner and on like notice, on the written request of two (2) directors.

8.5 Quorum. At all meetings of the Board of Directors, a majority of the entire Board shall be necessary to and constitute a quorum for the transaction of business, and the vote of a majority of the directors present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the director or directors present thereat may adjourn the meeting from time to time, until a quorum shall be present. Notice of any such adjournment shall be given to the directors who were not present.

8.6 Waiver of Notice. Attendance by a director at a meeting of the Board shall constitute a waiver of notice thereof.

8.7 Action Without A Meeting. Directors may 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 to such action. Any action taken in such manner shall have the same effect as though taken at a meeting of the directors.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF

DIRECTORS 9.1 The Board of Directors shall have

power to:

- (a) Adopt and publish Rules and Regulations governing the use of the Common Area and facilities provided by the Association, and the person conduct of members and their guests thereon, and to establish penalties for the infraction thereof.
- (b) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws or the Declaration.
- (c) Lease or otherwise acquire the use of any and all kinds of recreation and athletic facilities for the use and benefit of members of the Association.
- (d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent without excuse from two (2) consecutive regular meetings of the Board of Directors.
- (e) Employ a manager and other employees, prescribe their duties and fix their compensation.

9.2 It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all of its acts and the proceedings of its meetings and to cause to be presented at the annual meeting of the members a report reviewing the business and affairs of the Association for the year.
- (b) As more fully provided in the Declaration, to fix the amount and time of payment of periodic and special assessments against each lot, to give the owner subject to any special assessment written notice thereof at least thirty (30) days prior to the due date thereof, to give the owners subtext thereto written notice of the amount and due date of any regular periodic assessment, provided that if regular periodic assessments are fixed on a monthly basis, then notice of the amount thereof shall be given only in the event of a change in such regular amount.
- (c) Cause to be prepared, a roster of property subject to assessment, with assessments applicable to each such property, and to keep such roster in the Association office subject to inspection by any owner.
- (d) Procure and maintain adequate liability and hazard insurance on the property owned, leased or otherwise used by the Association.

- (e) Cause all officers or employees having fiscal responsibilities to be bonded with sufficient surety for the faithful performance of their official duties, the premium on such bond to be paid by the Association.
- (f) Cause the Common Areas to be maintained.

ARTICLE X

STANDING COMMITTEES

10.1 Architectural Committee. The Board of Directors shall appoint an Architectural Committee of three (3) or more persons who need not be members of the Association, which committee may act for the Board of Directors to the extent set forth in the Declaration.

10.2 Other Committees. The Board of Directors shall appoint such other committees as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association, which may include, without limitation, a Recreation Committee, a Maintenance Committee and an Audit Committee. Members of such other committees shall be members of the Association, but need not be members of the Board of Directors.

ARTICLE XI

OFFICERS

11.1 Officers. The officers of this Association shall be a president and vice-president, who shall be members of the Board of Directors, and a secretary and treasurer, who may, but shall not need be, members of the Board of Directors. The officers shall be elected at the organizational meetings of the Board of Directors each year and the term of office shall be for a period of one year or until their successors are elected and assume office, unless such officer resigns or is removed.

11.2 Removal and Vacancies. Any officer may be removed from office, with or without cause, by the Board of Directors. A vacancy in any office may be filled in the manner prescribed for regular elections. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

11.3 Presiding Officer. The president shall be the chairman of the Board of Directors and preside at all meetings of the members of the Association and of the Board of Directors. He shall sign for the Association such contracts and other documents as he may be authorized by the Board of Directors to sign, and shall perform all acts and duties usually performed by a president or as prescribed by the Board of Directors.

11.4 Vice-President. The vice-president shall preside and perform the duties of the president in the absence or disability of the president. He shall also perform such other duties as may be delegated to him by the Board of Directors.

11.5 Secretary. The secretary shall keep or cause to be kept a complete record of all meetings of the Association and of the Board of Directors and of the members; keep appropriate current records showing the members of the Association, together with their addresses; perform such duties as are required to be performed in connection with assessments and the collection and enforcement thereof, and shall perform such other duties as may be required of the Board.

11.6 Treasurer. The treasurer shall have the care and custody of the corporate funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all money and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The treasurer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the president and directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the Corporation.

11.7 Delegation and Change of Duties. In the event of absence or disability of any officer, the Board of Directors may delegate, during such absence or disability, the powers of duties of such officer to any other officer or any director.

ARTICLE XII

ADDITIONS TO PROPERTIES AND MEMBERSHIP

12.1 Additions. Additions to the properties described in Article I may be made only in accordance with the provisions of the Declaration. Such additions, when properly made under the covenants contained in the Declaration, shall extend the jurisdiction, functions, duties and membership of this Corporation to such properties.

ARTICLE XIII

DISSOLUTION

13.1 Distribution of Assets. Upon dissolution of the Corporation, the assets, both real and personal, of the Corporation shall be dedicated to an appropriate municipal corporate or other public agency, to be devoted to purposes as nearly as practicable as those to which they were required to be devoted by the corporate. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporate, association, trust or other organization, to be devoted to purposes and uses to which they were required to be devoted by the Corporation.

ARTICLE IV

GENERAL PROVISIONS

14.1 Inspection by Members. The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member at the office of the Association.

14.2 Corporate Seal. The corporate seal of the Association shall be circular in form and shall have inscribed thereon the name of the Association and the state of incorporation.

14.3 Audit. An annual audit shall be made by a certified public accountant previous to the date of each annual meeting, at which meeting such report shall be presented. A special audit shall be made at any time upon order of the Board of Directors or upon a majority vote of the members at any regular or special meeting.

14.4 Execution of Corporate Documents. All deeds, bonds, mortgages, contracts and other instruments requiring a seal may be signed in the name of the Corporation by the president or by any officer authorized to sign such instrument by the Board of Directors.

14.5 Checks and Other Evidences of Indebtedness. All checks or demands for money and notes or other instruments evidencing indebtedness or obligations of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

14.6 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of each calendar year.

ARTICLE XV

AMENDMENTS

15.1 These By-Laws may be amended at a regular or special meetings of the members, provided that such amendment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at such meeting, and that notice of the amendment had been included in the notice of the meeting. Any matter stated in these By-Laws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration. In the case of any conflict between such Declaration and these By-Laws, the provisions of the Declaration shall control.

ARTICLES OF INCORPORATION OF HARTUNG FARMS HOMEOWNERS ASSOCIATION

I, HENRY L. BAUER, natural person of more than twenty-one years of age, acting as incorporator under the Oregon nonprofit Corporation Law, adopt the following ARTICLES OF INCORPORATION:

ARTICLE I

The name of the corporation is HARTUNG FARMS HOMEOWNERS ASSOCIATION, and the duration of this corporation shall be perpetual.

ARTICLE II

The purpose of the corporation is to engage in any lawful activity for which corporations may be organized under the Oregon Nonprofit Corporation Law, Chapter 61, ORS.

ARTICLE III

The address of the initial registered office is 425 S.W. Washington Street, Portland, Oregon, 97204, and the name of the initial registered agent at such address is Henry L. Bauer.

ARTICLE IV

The number of Directors shall be fixed by the By-Laws, but shall not be less than three (3). The number of Directors constituting the first Board of Directors is three (3), and the names and addresses of the persons who are to serve as the first Board of Directors and until the first annual election of Directors, are:

<u>NAME</u>	<u>ADDRESS</u>
Edward J. Strandberg	12025 S.W. Bowmont Portland, Oregon 97225
Dorothea Strandberg	12025 S.W. Bowmont Portland, Oregon 97225
Henry L. Bauer	1130 S.W. Myrtle Drive Portland, Oregon 97201

Thereafter, Directors shall be elected at an annual meeting of members, and each Director shall be elected to serve until the next succeeding annual meeting of members and until his or her successor shall have been elected.

ARTICLE V

The name and address of the incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
Henry L. Bauer	1130 S.W. Myrtle Drive Portland, Oregon 97201

ARTICLE VI

No part of the net earnings of the corporation shall inure to the benefit of any incorporator, director, officer, member or any private individual, and no incorporator, director, officer,

member or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation.

IN WITNESS THEREOF, I have hereunto set my hand in duplicate, this ____ day of _____, 1972.

STATE OF OREGON)

) ss.

County of Multnomah)

I, MARY T. MURTY, a Notary Public, do hereby certify that on the ____ day of _____, 1972, personally appeared before me HENRY L. BAUER, who being by me first duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

(SEAL)

Notary Public for Oregon
My commission expires: July 1, 1974