

BYLAWS
OF
DENNEY ROAD ROWHOMES OWNERS' ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is Denney Road Rowhomes Owners' Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located at such address as may be designated by the Board of Directors from time to time, but meetings of members and directors may be held at such places within the State of Oregon, Cities of Portland or Beaverton, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" means the Denney Road Rowhomes Owners' Association, its successors and assigns.

Section 2. "Properties" means that certain real property described in the Declaration.

Section 3. "Common Area" means all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners'.

Section 4. "Unit" means one of the fourteen (14) separate lots and the improvements thereon.

Section 5. "Owner" means the legal owner or contract purchaser of any Unit which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" means Denney Road Partners, L.L.C., an Oregon Limited Liability Company.

Section 7. "Declaration" means the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the records of Washington County.

Section 8. "Member" means those persons entitled to membership as provided in the Declaration.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of seven o'clock

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.

ANNUAL
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 at least forty percent (40%) of the votes of the Class A Membership.

Section 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 prepaid, not less than seven (7) or more than fifty (50) 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 of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the votes of each class of 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.

Section 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 Unit.

Section 6. Fiduciaries. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any Unit owned or held by him in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the secretary that he is the executor, administrator, guardian or trustee, holding such Unit in such capacity.

Section 7. Order of Business. The order of business at all meetings of Members shall be as follows:

- (a) Roll Call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of the preceding meeting.
- (d) Reports of officers.

- (e) Reports of committees, if any.
- (f) Election of directors.
- (g) Unfinished business.
- (h) New business.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be of three (3) Directors, who need not be Members of the Association. The Declarant shall appoint an interim Board of one (1) director who shall serve until replaced by the Declarant or until their successors have been elected by the Members as hereinafter provided.

Section 2. Term of office. At the first annual meeting the Members shall elect one (1) director for a term of one (1) year and two (2) directors for a term of two (2) years; at each annual meeting thereafter the Members shall elect directors for a term of two (2) years.

Section 3. Removal. Any director, except the interim 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 successor shall be elected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his 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 the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for the election to the Board of Directors shall be made from the floor at the annual meeting. There may be as many nominations for the election to the Board of Directors as may be offered, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such elections 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 person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly with out notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon the a legal holiday, then the meeting shall be held at the same time on the next day which is not a legal holiday. *

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. 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 VII 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 as provided in Article III, Section 2 of the Declaration;

(b) 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; without limiting the foregoing, to negotiate or renegotiate the terms of a road maintenance agreement for the easement from Denney Road to the Properties and/or comply with and enforce the provisions of ORS 105.170 et seq on behalf of all the Owners;

(c) 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; *

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties; provided, however, that any management agreement, service contract or employment contract shall not be in excess of two (2) years and shall provide for termination by the Association without cause and

with no payment of penalty and no advance notice in excess of ninety (90) days;

(e) exercise for the Association any power conferred on Homeowners' Associations in Oregon's Planned Communities Act, except where such power is inconsistent with the provisions of the Declaration of these Bylaws.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep or cause to be kept the books and records of the Association as provided in Article X of these Bylaws;

(b) supervise all officers, agents and employees of this Association, and 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 Unit at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to the Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any Unit for which assessments are not paid within a reasonable time after due date and/or to bring an action at law against the Owner obligated to pay the same.

(d) issue or cause an appropriate officer to issue, upon demand by any person, 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 as such payment;

(e) procure and maintain adequate liability and hazard insurance as provided in Article IX of the Declaration;

(f) cause officers or employees having fiscal responsibilities to be bonded as it deems appropriate;

(g) cause the exterior of the Units to be maintained as provided in Article VII of the Declaration; cause the Common Area to be maintained as provided in Article II of the Declaration; cause the easement from Denney Road to the Properties to be maintained;

(h) open bank accounts on behalf of the Association and designate the signatories required thereof;

(i) enforce the provisions of the Declaration and these Bylaws and rules and regulations adopted and published thereunder.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, who shall at all times be a Member of the Board of Directors, a secretary and a treasurer, and all other officers as the Board may from time to time by resolution create.

Section 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.

Section 3. Terms. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or removed, or otherwise be disqualified to serve.

Section 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 such duties as the Board may, from time to time, determine.

Section 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 notice to the Board, the president or the secretary. Such resignation shall take effect on the day of 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.

Section 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 replaces.

Section 7. Multiple Officers. The offices of the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all the meetings of the Board of Directors and of the Members; shall see

that orders and resolutions of the Board are carried out; and shall have all of the general powers and duties which are usually vested in the chief executive officer of an Association; and shall negotiate the roadway maintenance agreement and repairs as required in the easement agreement between Donald C. Fazzio and the Declarant recorded in Washington County on the 20th of May, 1997, Recording Number 97-04616.

(b) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of the meetings of the Board and of the Members; 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.

(c) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books on account; shall supervise any audit of the Association books made by a public accountant; and shall prepare an annual budget and a statement of income and expenditures to be presented at the annual meeting, and deliver a copy of each to the Members upon request.

ARTICLE IX COMMITTEES

The Board of Director may appoint committees to assist it in performing its duties, including the Architectural Control Committee. *

ARTICLE X BOOKS AND RECORDS

Section 1. Recordkeeping. The Board of Directors or its designated officer shall keep detailed accurate records of the receipts and expenditures of the Association and such other financial records necessary for proper accounting purposes. The Board of Directors or its designee shall also maintain at all times copies of the Declaration, Bylaws, Articles of Incorporation and current rules and regulations of the Association.

Section 2. Availability of Books and Records. The books, records and documents of the Association shall be available during reasonable times for inspection by Owners or by holders, insurers and/or guarantors of a first mortgage securing a Unit. The Board of Directors may charge a reasonable fee for furnishing copies to an Owner, mortgagee, or prospective purchaser. *

Section 3. Audited Statement. At any time an Owner or mortgagee, may, at his own expense, cause an audit to be made of the books and records of the Association.

ARTICLE XI
ASSOCIATION SEAL

This Association shall have no seal.

ARTICLE XIII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by affirmative vote of fifty percent (50%) or more of each class of Members.

Section 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.

ARTICLES XIV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting President of the Denney Road Rowhomes Owners' Association, an Oregon nonprofit corporation, and,

THAT the forgoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof.

Dated this _____ day of _____, 19____.

President

[illegible]

On this day _____, 19__, before me appeared _____ to me personally known, who being duly sworn did each say that he/she is President of Denney Road Rowhomes Owners' Association, an Oregon nonprofit corporation, and that the foregoing instrument was signed in behalf of said Association by authority of its Board of Directors, and acknowledged that said instrument is the free act and deed of said Association.

Notary Public of Oregon
My Commission Expires:_____