

Exhibit D

BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
CAMP ABBOT HANGARS

ARTICLE I

PLAN OF UNIT OWNERSHIP

1.1 Name and Location. These are the bylaws of the ASSOCIATION OF UNIT OWNERS OF CAMP ABBOT HANGARS (hereinafter the "Association"). Camp Abbot Hangars (hereinafter the "condominium") is located in the development known as Sunriver, Deschutes County, Oregon, and has been submitted to the Oregon Unit Ownership Law by a declaration filed simultaneously herewith and by supplemental declarations, if any, annexing property to the condominium (hereinafter collectively called "the declaration"). The location of the condominium is more specifically described in the declaration.

1.2 Principal Office. The principal office of the Association shall be located at Suite 236, 2659 Commercial Street SE, Salem, Oregon 97302, or such other address as may be designated by the board of directors from time to time.

1.3 Purposes. This Association is formed under the provisions of the Oregon Unit Ownership Law to serve as the means through which the unit owners may take action with regard to the administration, management and operation of the condominium.

1.4 Applicability of Bylaws. The Association, all unit owners, and all persons using the condominium property shall be subject to these bylaws and to all rules and regulations which may be promulgated hereunder.

1.5 Composition of Association. The Association shall be composed of all the unit owners of the condominium, including Rolf Olson and his successors and assigns (hereinafter, "the declarant"), and the Association, itself, to the extent any of these own any unit or units of the condominium.

1.6 Incorporation. Upon approval of seventy-five percent (75%) of the unit owners the Association may be incorporated under the Oregon Non-Profit Corporation Law. In

such event, the Articles of Incorporation shall be consistent with the declaration and these bylaws, and these bylaws shall constitute the bylaws of the incorporated association.

1.7 Definitions. The definitions contained in or adopted by the declaration shall be applicable to these bylaws.

ARTICLE II

MEETINGS OF ASSOCIATION

2.1 Place of Meetings. The Association shall hold meetings at such suitable place convenient to the unit owners as may be designated by the board of directors from time to time.

2.2 First Organizational Meeting. Within four years after the declarant has submitted the first phase of the condominium to unit ownership and adopted these bylaws as owner of all the units, or within ninety (90) days after declarant has sold and conveyed 36 percent or more units in the condominium, whichever is earlier, the declarant shall call the first meeting of the unit owners to organize the Association and to elect directors. In the event of lack of quorum at such first organizational meeting, it may be adjourned to the time of the next annual meeting.

2.3 Annual Meetings. The annual meetings of the Association shall be held in the months of January or February at such hour and on such date as the chairman may designate, or if the chairman should fail to designate such date by the first day of February, then on the last Tuesday in February. The annual meetings shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

2.4 Special Meetings. Special meetings of the Association may be called by the chairman or secretary or by a majority of the board of directors, and must be called by such officers upon receipt of a written request from at least thirty percent (30%) of the unit owners stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

2.5 Notice of Meetings. Notice of all meetings of the Association stating the time and place and the objects for which the meeting is being called shall be given by the

chairman or secretary. Such notice shall be in writing and mailed to each unit owner at his address as it appears on the books of the Association and to any first mortgagee requesting such notice not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived by any unit owner before or after meetings. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

2.6 Voting. Each unit owner shall have one vote for each unit of the condominium owned by him. The declarant shall be entitled to vote as the unit owner of any then existing units retained by the declarant, and the board of directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the board of directors shall not be entitled to vote such units in any election of directors.

2.7 Proxies. A vote may be cast in person or by proxy. A proxy given by a unit 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. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon sale of the unit by its owner. A unit owner may pledge or assign his 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 unit owner is entitled hereunder and to exercise the unit 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.

2.8 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 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. Whenever any unit is owned by two or more persons jointly, according to the records of the Association, the vote of such unit may be exercised by any one of the owners then present, in the absence of protest by a co-owner. In

the event of such protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of such unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

2.9 Landlords and Contract Vendors. Unless otherwise expressly stated in the rental agreement or lease, all voting rights allocated to a unit shall be exercised by the landlord if the rental agreement or lease has an original term of ten (10) years or less, or by the tenant if the rental agreement or lease has an original term of more than ten (10) years. Unless otherwise stated in the contract, all voting rights allocated to a unit shall be exercised by the vendee of any land sale contract on the unit.

2.10 Quorum of Unit Owners. At any meeting of the Association, members holding fifty percent (50%) of the voting rights, present in person or by proxy, shall constitute a quorum. The subsequent joinder of a unit owner in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a unit owner or owners. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.11 Majority Vote. The vote of the holders of more than fifty percent (50%) of the voting rights, present in person or by proxy, at a meeting at which a quorum is constituted shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the declaration or by these bylaws.

2.12 Order of Business. The order of business at annual meetings of the Association shall be:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;

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

ARTICLE III

BOARD OF DIRECTORS

3.1 Number and Qualification. The affairs of the Association shall be governed by a board of directors composed of one (1) to three (3) persons, as provided in Sections 2 and 3 of this Article. All directors, other than interim directors appointed by declarant, shall be owners or co-owners of units of the condominium. For purposes of this section, the officers of any corporate owner and the partners of any partnership shall be considered co-owners of any units owned by such corporation or partnership.

3.2 Interim Directors. Upon the filing of the declaration submitting the condominium to the Oregon Unit Ownership Law, the declarant hereby appoints the following interim board of one (1) director, who shall serve until replaced by declarant or his successors have been elected by the unit owners as provided below:

Rolf Olson

3.3 Election and Term of Office. At the first organizational meeting called by declarant pursuant to Section 2.2 of these bylaws, the interim director shall resign and three (3) successors shall be elected, one to serve until the next annual meeting and two to serve until the second annual meeting after their election. Thereafter, at the expiration of the initial term of office of each respective director, his successor shall be elected to serve for a term of two years, so that the term of not less than one-third of the directors shall expire annually. Directors shall hold office until their respective successors have been elected by the unit owners. Election shall be by plurality.

3.4 Vacancies. Vacancies in the board of directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the

majority of the remaining directors, even though they may constitute less than a quorum, or by a sole remaining director. Each person so elected shall be a director until a successor is elected to fill the unexpired term at the next annual meeting of the Association or the next special meeting of the Association called for that purpose. Vacancies in interim directors shall be filled by declarant.

3.5 Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors, other than interim directors, may be removed with or without cause by a majority vote of the unit owners present in person or by proxy, and a successor shall be elected at that meeting to fill the vacancy thus created. The notice of any such meeting shall state that such removal is to be considered, and any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

3.6 Powers and Duties. The board of directors shall have all of 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 unit owners. The powers and duties to be exercised by the board of directors shall include, but shall not be limited to the following:

- (a) Operation, care, upkeep, maintenance and repair of the general and limited common elements.
- (b) Determination of the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures.
- (c) Collection of the common expenses from the unit owners.
- (d) Employment and dismissal of such personnel as necessary for the efficient maintenance, upkeep and repair of the common elements.
- (e) Employment of legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association.
- (f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing units of the condominium at foreclosure or other judicial sales in the name of the Association, or its designee, on behalf of all the unit owners as provided in these bylaws.

(h) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of directors), or otherwise dealing with units of the condominium acquired by the Association or its designee on behalf of all the unit owners.

(i) Obtaining insurance or bonds pursuant to the provisions of these bylaws.

(j) Making additions and improvements to, or alterations of, the common elements; provided, however, that no such project may be undertaken by the board if the total cost will exceed the amount of \$2,500 unless the unit owners have enacted a resolution authorizing the project by a vote of seventy-five percent (75%) of the voting rights present in person or by proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to repairs or maintenance undertaken pursuant to paragraph (a) above.

(k) Designating one or more committees which, to the extent provided in the resolution designating the committee, shall have the powers of the board of directors in the management of the affairs of the Association. At least one member of each committee shall be a member of the board of directors.

(l) Enforcement by legal means of the provisions of the Oregon Unit Ownership Law, the declaration, these bylaws and any rules and regulations adopted hereunder.

(m) Collecting rentals from the unit owners and forwarding such rentals to the lessor under the terms of the Lease.

3.7 Managing Agent or Manager. On behalf of the Association, the board of directors may employ or contract for a managing agent or a manager at a compensation to be established by the board of directors. The board of directors may delegate to the managing agent or manager such duties and powers as the board of directors may authorize. In the absence of such appointment, the board of directors shall act as manager.

3.8 Organizational Meeting. Within fourteen (14) days following the annual meeting of the Association or following any meeting at which an election of directors has been held, the board of directors shall hold an organization meeting at such place and time as shall have been fixed by the directors at the meeting at which the election was held.

3.9 Regular and Special Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Special meetings of the board of directors may be called by the chairman and must be called by the secretary at the written request of at least two directors. Notice of any special meeting shall be given to each director, personally or by mail, telephone or telegraph at least seven (7) days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting. All meetings of the board of directors shall be open to unit owners. Such meetings may be conducted by telephonic communication.

3.10 Waiver of Notice. Any director may, at any time, waive notice of any meeting of the board of directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall constitute a waiver by him of notice of the time and place thereof, except where a director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all of the directors are present at any meeting of the board, no notice to directors shall be required and any business may be transacted at such meeting.

3.11 Quorum of Board of Directors. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the board of directors. If at any meeting of the board of directors less than a quorum should be present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice to directors.

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

3.13 Liability and Indemnification of Directors, Officers, Manager or Managing Agent. The directors and officers shall not be liable to the Association of the unit owners for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each director and officer and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the board of directors, officers, manager or managing agent on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the declaration or of these bylaws. Each director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party, or which they may become involved, by reason of being or having been a director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnity if the director, officer, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of his duties.

3.14 Fidelity Bonds. The board of directors shall require that any person or entity, including, but not limited to, employees of any professional manager, who handles or is responsible for Association funds shall furnish such fidelity bond as the board deems adequate. The premiums on such bonds shall be paid by the Association.

3.15 Insurance. The board of directors shall obtain such liability insurance as the board deems necessary to protect the Association, its officers or employees, and the unit owners. In addition, the board of directors, as trustee for the unit owners, shall obtain such property insurance as necessary to protect the entire condominium property. The board of directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or unit owners. The board of directors shall conduct an annual insurance review which shall include an appraisal of all improvements contained in the condominium. No unit owner may engage in any activity which might jeopardize the insurance coverage described in these bylaws. Such insurance policies shall be master policies insuring the Association, its officers and directors, the manager or managing agent, if any, and all unit owners and their mortgagees, as their respective interests may appear, and shall include the following provisions, if possible:

(a) Property coverage shall include those risks covered by a standard fire insurance policy with extended coverage endorsement and shall be for the full replacement cost without deduction of depreciation.

(b) Such policy shall contain a waiver of the usual proration clause, elimination of the usual "no other insurance" provision, and waiver of any right of subrogation as against any coinsured.

(c) Such policy shall require the insurance company to give notice of cancellation to the insureds and any mortgagees covered by loss payable clauses.

(d) Such policy shall bear a mortgagee's clause or a loss-payable clause in favor of any mortgagee or lender requesting the same, but such clause shall not give the mortgagee or lender the right to preempt payment of the insurance proceeds to the Association or to control whether or not the damage is repaired. The insurer shall likewise waive its right to determine whether the damage should be repaired, and loss adjustment and control of the proceeds of the policy should rest in the Association as trustee for the unit owners.

(e) Liability coverage should cover any unit owner for his acts or omissions in connection with the condominium and cover any liability arising out of ownership of any unit of the condominium, and should contain a severability of interests provision so as to cover one unit owner for his liability to another unit owner. Coverage should be in an amount of not less than \$1,000,000.

ARTICLE IV

OFFICERS

4.1 Designation. The principal officers of the Association shall be the chairman, the secretary and the treasurer, all of whom shall be elected by the board of directors. The directors may appoint a vice chairman, an assistant treasurer, an assistant secretary, and such other officers as in their judgment may be necessary. The chairman shall be a member of the board of directors, but the other officers need not be directors or unit owners.

4.2 Election of Officers. The officers of the Association shall be elected annually by the board of directors at the organization meeting or each new board and shall hold office at the pleasure of the board. If any office shall become vacant, the board of directors shall elect a successor to fill the unexpired term at any regular meeting of the board of directors, or at any special meeting of the board of directors called for such purpose.

4.3 Removal of Officers. Upon the affirmative vote of a majority of the directors, any officer may be removed either with or without cause, and his successor may be elected at any regular meeting of the board of directors, or at any special meeting of the board of directors called for such purpose.

4.4 Chairman. The chairman shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the board of directors. He shall have all of the general powers and duties which are usually vested in the chief executive officer of an association, including but not limited to the power to appoint committees from among the unit owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

4.5 Secretary. The secretary shall keep the minutes of all proceedings of the board of directors and the minutes of all meetings of the Association. He shall attend to the giving and serving of all notices to the unit owners and directors and other notices required by law. He shall keep the records of the Association, except for those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the chairman. In addition, the secretary shall act as vice chairman, taking the place of the chairman and performing his duties whenever the chairman is absent or unable to act, unless the directors have appointed another vice chairman.

4.6 Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the board of directors, and he shall disburse funds of the Association upon properly authorized

vouchers. He shall perform all other duties incident to the office of treasurer of an association and such other duties as may be assigned to him by the board of directors.

4.7 Execution of Instruments. All agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by general or special resolution of the board of directors and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the chairman. All checks shall be signed by the treasurer, or in his absence or disability, by the chairman or any duly elected assistant treasurer.

4.8 Compensation of Officers. No officer who is a member of the board of directors, other than the secretary and treasurer, shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the unit owners. The board of directors may fix any compensation to be paid to the secretary, treasurer and any officers who are not also directors.

ARTICLE V

BUDGET, EXPENSES AND ASSESSMENTS

5.1 Budget. The board of directors shall from time to time, and at least annually, prepare a budget for the Association, estimate the common expenses expected to be incurred, less any previous overassessment, and assess the common expenses to each unit owner in the proportion set forth in the declaration. The budget shall provide for an adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis.

5.2 Determination of Common Expenses. Common expenses shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common elements.
- (c) Cost of insurance or bonds obtained in accordance with these bylaws.
- (d) A general operating reserve.

(e) Reserve for replacements and deferred maintenance.

(f) Any deficit in common expenses for any prior period.

(g) Utilities for the common elements and other utilities with a common meter or commonly billed.

(h) Rent, taxes, insurance, a maintenance fund and any other obligations arising under the Lease applicable to the property then within the condominium as well as any obligation owed to Sunriver Properties, Inc. or any related entity, or any association in the Sunriver development arising out of the development of this condominium.

(i) Any other items properly chargeable as an expense of the Association.

5.3 Assessment of Common Expenses. All unit owners shall be obliged to pay common expenses assessed to them by the board of directors on behalf of the Association pursuant to these bylaws and the declaration. Assessments may not be waived due to limited or nonuse of common elements. The declarant shall be assessed as the unit owner of any unsold unit, but such assessment shall be prorated to the date of sale of the unit. Assessments shall commence upon closing of the first sale of a unit in the condominium. The board of directors, on behalf of the Association, shall assess the common expenses against the unit owners from time to time, and at least annually, and shall take prompt action to collect from a unit owner any common expense due which remains unpaid by him for more than thirty (30) days from the due date for its payment. If additional units are annexed to the condominium, the board of directors shall promptly prepare a new budget reflecting the addition to the condominium and shall recompute any previous assessment covering any period after the annexation.

5.4 Special Assessments.

(a) Capital Improvements. In the case of any duly authorized capital improvement to the common elements, the board of directors may by resolution establish separate assessments for the same, which may be treated as capital contributions by the unit owners, and the proceeds of which shall be used only

for the specific capital improvements described in the resolution.

(b) Reserve Trust Funds. In establishing reserves for the maintenance, repair or replacement of the common elements, the board of directors may elect by resolution to establish one or more trust funds for the maintenance, repair or replacement of specific items, in which case the board shall either designate part of the regular assessment or establish separate assessments for such purposes. The proceeds therefrom shall be held in such trust funds and used only for the designated maintenance, repairs or replacements.

5.5 Default in Payment of Common Expenses. In the event of default by any unit owner in paying to the Association the assessed common expenses, such unit owner shall be obligated to pay interest at the rate of ten percent (10%) per annum on such common expenses from the due date thereof, or at such greater rate as may be established by the board of directors from time to time, not to exceed the maximum lawful rate, if any. In addition, the defaulting unit owner shall pay any reasonable late charge established by the board of directors from time to time, together with all expenses incurred by the Association in collecting such unpaid expenses, including attorneys' fees (whether or not suit is instituted, and at trial or any appeal therefrom). The board of directors shall have the right and duty to recover for the Association such common expenses, together with such charges, interest and expenses of the proceeding, including attorneys' fees, by an action brought against such unit owner or by foreclosure of the lien upon the unit granted by the Oregon Unit Ownership Law. The board of directors shall notify the holder of any first mortgage upon a unit of any default not cured within thirty (30) days of the date of default.

5.6 Foreclosure of Liens for Unpaid Common Expenses. In any suit brought by the Association to foreclose a lien on a unit because of unpaid common expenses, the unit owner shall be required to pay a reasonable rental for the use of the unit during the pendency of the suit, and the plaintiff in such foreclosure suit shall be entitled to the appointment of a receiver to collect such rental. The board of directors, acting on behalf of the Association, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the unit. A suit or action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing the liens securing the same.

5.7 Statement of Common Expenses. The board of directors shall advise each unit owner in writing of the amount of common expenses payable by him, and furnish copies of each budget on which such common expenses are based to all unit owners and, if requested, to their mortgagees. The board of directors shall promptly provide any unit owner who makes a request in writing with a written statement of his unpaid common expenses.

5.8 Priority of Lien; First Mortgages. Any lien of the Association against a unit for common expenses shall be subordinate to tax and assessment liens and any first mortgage of record. Where the purchaser or mortgagee of a unit obtains title to the unit as a result of foreclosure of a first mortgage or by deed in lieu of foreclosure, such purchaser or mortgagee, his successors and assigns, shall not be liable for any of the common expenses chargeable to such unit which became due prior to the acquisition of title to such unit by such purchaser or mortgagee.

ARTICLE VI

RECORDS AND AUDITS

6.1 General Records. The board of directors and the managing agent or manager, if any, shall keep detailed records of the actions of the board of directors and the managing agent or manager, minutes of the meetings of the board of directors and minutes of the meetings of the Association. The board of directors shall maintain a Book of Resolutions containing the rules, regulations and policies adopted by the Association, board of directors and the manager. The board of directors shall maintain a list of owners entitled to vote at meetings of the Association and a list of all mortgagees of units.

6.2 Records of Receipts and Expenditures. The board of directors or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common elements, itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners and mortgagees during normal business hours.

6.3 Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such account shall designate the name and address of the owner or owners, the amount of

each assessment against the owners, the dates and amounts in which the assessment comes due, the amounts paid upon the account and the balance due on the assessments.

6.4 Payment of Vouchers. The treasurer shall pay all vouchers up to \$1,000 signed by the chairman, managing agent, manager or other person authorized by the board of directors. Any voucher in excess of \$1,000 shall require the signature of the chairman.

6.5 Reports and Audits. An annual report of the receipts and expenditures of the Association shall be rendered by the board of directors to all unit owners and to all mortgagees of units who have requested the same within 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 owners and such mortgagees. At any time any owner or mortgagee may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

6.6 Notice of Sale, Mortgage, Rental or Lease. Immediately upon the sale, mortgage, rental or lease of any unit, the unit owner shall promptly inform the secretary or manager of the name and address of said vendee, mortgagee, lessee, or tenant.

ARTICLE VII

MAINTENANCE AND USE OF CONDOMINIUM PROPERTY

7.1 Maintenance and Repair. Except as otherwise provided herein for damage or destruction caused by casualty:

(a) Units. All maintenance of and repairs to any unit shall be made by the owner of such unit, who shall keep the same in good order, condition and repair and shall maintain the good appearance and condition of his unit. In addition, each unit owner shall be responsible for the maintenance, repair, or replacement of windows and doors, including the overhead bifold door and walk door and all mechanical parts to such doors and their operating mechanisms, and any plumbing, heating or air conditioning fixtures, telephones, water heaters, fans, lighting fixtures and lamps, electric winches, or other appliances and accessories that may be in or connected with his unit.

(b) Common elements. All maintenance, repairs and replacements to the general and limited common elements shall be made by the Association and shall be charged to all the unit owners as a common expense.

7.2 Additions, Alterations or Improvements.

(a) A unit owner may make any improvements or alterations to his unit that do not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium.

(b) After acquiring an adjoining unit or an adjoining part of an adjoining unit, a unit owner may submit a written request to the board of directors for permission to remove or alter any intervening partition or to create apertures therein, even if the partition in whole or in part is a common element. The board of directors shall approve the change unless it determines within forty-five (45) days that the proposed change will impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium. The board of directors may require the unit owner, at his own expense, to submit an opinion of a registered architect or registered professional engineer that the proposed change will not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

(c) A unit owner shall make no repair or alteration or perform any other work on his unit which would jeopardize the soundness or safety of the property, reduce its value, impair any easement or hereditament or increase the common expenses of the Association unless the consent of all the other unit owners affected is first obtained.

(d) A unit owner may not change the appearance of the common elements or the exterior appearance of a unit without permission of the board of directors.

7.3 Damage or Destruction by Casualty of Condominium Property. In the case of substantial damage or destruction, timely written notice shall be given to the unit owners and their mortgagees and the following provisions shall apply:

(a) In the event of damage or destruction by casualty of condominium property, the damage or destruction shall be repaired, reconstructed or rebuilt unless, within fourteen (14) days of such damage or destruction, the board of directors or more than ten percent (10%) of the unit owners shall have requested a special meeting of the Association. Such special meeting must be held within sixty (60) days of the date of damage or destruction. At the time of such meeting, unless unit owners holding ninety percent (90%) of the voting power, whether in person, by writing or by proxy, vote not to repair, reconstruct or rebuild the damaged property, the damage or destruction shall be repaired, reconstructed or rebuilt. If the damage or destruction is not repaired, reconstructed or rebuilt, then the property shall be removed from condominium ownership in the manner provided in the Oregon Unit Ownership Law.

(b) The Association shall be responsible for repairing, reconstructing or rebuilding all such damage or destruction to the common elements and, to the extent of the Association's insurance coverage, all such damage or destruction to the units. Each unit owner shall be responsible for such repairing, reconstructing or rebuilding of his unit as is not covered by the Association's insurance.

(c) If, due to the act or neglect of a unit owner, or of a member of his family or his household pet or of a guest or other visitor of such unit owner, damage shall be caused to the common elements or to a unit owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such unit owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Association, to the extent not covered by the Association's insurance.

(d) In the event any portion of the insurance proceeds paid to the Association are not used to repair, reconstruct or rebuild the damaged or destroyed property, the Association shall distribute

the proceeds among the unit owners and their mortgagees (as their interests may appear) in the same proportion as common expenses are shared, unless the property is removed from unit ownership. If the property is removed from unit ownership, the insurance proceeds, together with the proceeds from the sale of the property, shall be distributed to the unit owners and their mortgagees (as their interests may appear) in the manner described in the Oregon Unit Ownership Law.

7.4 Condemnation. If any portion of the condominium is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, notice of the proceeding or proposed acquisition shall promptly be given to each unit owner and to each mortgagee. All compensation, damages or other proceeds of the taking, other than any award for moving expenses of specific unit owners, shall be payable to the Association and allocated and distributed as provided in this Section 7.4.

(a) Complete Taking. If the entire condominium property is taken, or if unit owners holding ninety percent (90%) of the voting power agree that such substantial portion of the condominium has been taken as to make the project obsolete, then the property shall be deemed removed from unit ownership. In such event, any proceeds of the condemnation paid to the Association, together with any other proceeds upon sale of the remaining condominium property, shall be distributed among the unit owners and their mortgagees, as their interests may appear, in accordance with the provisions of the Oregon Unit Ownership Law.

(b) Partial Taking. If less than the entire condominium property is taken and the property is not determined to be obsolete as provided in paragraph (a) above, then as soon as practicable the board of directors shall, reasonably and in good faith, allocate the award among the units in accordance with the reduction in the value of each unit and its interest in the common elements, compared to the total reduction in value of all units and their interest in the common elements. In the event any unit owner or mortgagee objects to the allocation determined by the board of directors, the matter shall be submitted to arbitration in accordance with the rules of the American Arbitration Association. The cost of such determination

shall be paid out of the proceeds of the condemnation. Any portion of the award allocated to a unit owner under this paragraph shall be paid first to all mortgagees and holders of liens on the unit owner's interest in accordance with the existing priorities, and the balance to the unit owner. If any reconstruction and repair is undertaken as a result of the condemnation, the board of directors may retain and apply such portion of each unit owner's share of the award as is necessary to discharge the owner's liability for any special assessment arising from such reconstruction or repair.

7.5 Restrictions and Requirements Respecting Use of Condominium Property. The following restrictions and requirements are in addition to all other restrictions and requirements contained in the the declaration and these bylaws:

(a) Use. The units shall be used for the storage of aircraft and for the storage of such equipment and apparatus as may be incidental or necessary to the storage of aircraft, including motor vehicles.

(b) Use of common elements. The common elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of the units. The use, operation and maintenance of the common elements shall not be obstructed, damaged or unreasonably interfered with by any unit owner.

(c) Offensive or unlawful activities. No noxious or offensive activities shall be carried on in any unit nor shall anything be done or placed upon any unit which is a source of annoyance to residents. No unlawful use shall be made of the condominium nor any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(d) Signs. Unless written approval is first obtained from the board of directors, no sign of any kind shall be displayed to the public view on or from any unit or the common elements except signs used by the declarant to advertise units for sale or lease.

(e) Trash. No part of any unit or any part of the common elements shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. No garbage, trash or other waste shall be kept or maintained on any part of the property except in sanitary containers in the designated areas.

(f) Insurance. Nothing shall be done or kept in any unit or in the common elements which will increase the cost of insurance on the common elements. Insurance costs as used in this paragraph contemplate the usual insurance costs for areas used for the storage of aircraft and uses necessary and incidental thereto. No owner shall permit anything to be done or kept in his unit or in the common elements which will result in cancellation of insurance on any unit or any part of the common elements.

(g) Association rules and regulations. In addition, the board of directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the units and common elements as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the condominium property. Such action may be modified by vote of not less than seventy percent (70%) of the unit owners present, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation or rules and regulations will be under consideration. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the secretary promptly to each unit owner and shall be binding upon all unit owners and occupants of all units from the date of delivery.

7.6 Abatement and Enjoining of Violations. The violation of any rule or regulation adopted pursuant to these bylaws or the breach of any bylaw contained herein or of any provision of the declaration shall give the board of directors, acting on behalf of the Association, the right, in addition to any other rights set forth in these bylaws:

(a) to enter the unit in which or as to which such violation exists and to summarily abate and remove, at the expense of the defaulting unit owner,

any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the board of directors shall not thereby be deemed guilty of any manner of trespass; or

(b) to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings; or

(c) to levy reasonable fines, after giving notice and an opportunity to be heard.

Any expense incurred by the Association in remedying the default, damage incurred by the Association or unit owners, or fines so levied shall be assessed against the offending unit as a common expense and enforced as provided in Article V. In addition, any aggrieved unit owner may bring an action to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

ARTICLE VIII

AMENDMENTS TO BYLAWS

8.1 How Proposed. Amendments to the bylaws shall be proposed by either a majority of the board of directors or by unit owners holding thirty percent (30%) of the voting rights. 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.

8.2 Adoption. A resolution adopting a proposed amendment may be proposed by either the board of directors or by the unit owners and may be approved by the unit owners at a meeting called for this purpose. Unit owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution must be approved by unit owners holding seventy-five percent (75%) of the voting rights and by declarant until the last phase is annexed and so long as declarant owns 25 percent (25%) or more of the units in the last phase of the condominium. Declarant's consent shall not be required after nine years after the date of recording of the declaration. Neither Section 5.8 nor any other provision of these bylaws which is for the benefit of mortgagees may be amended without the written consent of all mortgagees.

8.3 Execution and Recording. An amendment shall not be effective until certified by the chairman and secretary of the Association, approved by the Real Estate Commissioner, and recorded as required by law.

ARTICLE IX

MISCELLANEOUS

9.1 Notices. 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 any unit owner shall be sent to such address as may have been designated by him from time to time, in writing, to the board of directors, or if no address has been designated, then to the owner's unit.

9.2 Waiver. No restriction, condition, obligation, or provision contained in these bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

9.3 Action Without a Meeting. Any action which the Oregon Unit Ownership Law, the declaration or the bylaws require or permit the owners or directors to take at a meeting may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the owners or directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the owners or directors, shall be filed in the records of minutes of the Association.

9.4 Invalidity; Number; Captions. The invalidity of any part of these bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these bylaws. As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these bylaws.

9.5 Conflicts. These bylaws are intended to comply with the Oregon Unit Ownership Law and the declaration. In case of any irreconcilable conflict, such statute and document shall control over these bylaws or any rules and regulations adopted hereunder.

DATED this 5 day of August, 1981.

ROLF OLSON, P.C.

By 

Rolf Olson

to the board of directors, or if a director may have been removed or is from the unit, notice to any unit owner shall be given. The directors may designate their agent to receive notice for the association or to send notice to the unit owner. If there is no designated agent, or if there is no designated agent, the board of directors shall be deemed to have received notice. 9.1. Notice. All notices to the association shall be given to the board of directors, or if there is no designated agent, the board of directors shall be deemed to have received notice. 9.1. Notice. All notices to the association shall be given to the board of directors, or if there is no designated agent, the board of directors shall be deemed to have received notice.

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any limit any of the provisions of these orders.

CONFIDENTIAL

STATE OF OREGON
County of Deschutes
I hereby certify that the within instrument of writing was received for Record the 24 day of Aug A.D. 1981 at 3:12 o'clock P M., and recorded in Book 346 on Page 327 Records of Deschutes
ROSEMARY PATTERSON
County Clerk
By James L. Patterson Deputy