

8919

BYLAWS OF THE
ASSOCIATION OF UNIT OWNERS
OF
CLUSTER COURT

ARTICLE I

PLAN OF UNIT OWNERSHIP

1. Name and Location. These are the bylaws of the ASSOCIATION OF UNIT OWNERS OF CLUSTER COURT (hereinafter, the "Association"). Cluster Court (hereinafter, the "condominium") is located in Meadow Village, Sunriver, Deschutes County, Oregon, and has been submitted to the Oregon Unit Ownership Law by a declaration filed simultaneously herewith. The location of the condominium is more specifically described in that declaration.

2. Principal Office. The principal office of the Association shall be located at Sunriver Center Building, Sunriver, Oregon.

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.

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.

5. Sunriver Declaration and Plan of Sunriver. In addition to these bylaws and the declaration filed herewith, the Association, all unit owners and all persons using the condominium property are subject to the Sunriver declaration establishing Cluster Court and annexing Cluster Court to Meadow Village, the Sunriver declaration establishing Meadow Village-Area I, the Plan of Sunriver and any rules and regulations promulgated thereunder.

6. Composition of Association. The Association shall be composed of all the unit owners of the condominium, including

Sunriver Properties, Inc. (hereinafter, "the developer") and the Association, itself, to the extent either of these own any unit or units of the condominium.

ARTICLE II

MEETINGS OF ASSOCIATION

1. Place of Meetings. The Association shall hold meetings at Sunriver Center Building, Sunriver, Oregon or at such other suitable place convenient to the unit owners as may be designated by the board of directors.

2. First Organizational Meeting and Interim Directors. Within sixty (60) days after the developer has submitted the condominium to unit ownership and adopted these bylaws as owner of all the units, the developer shall call the first meeting of the unit owners to organize the Association. At such time the interim board of directors designated by the developer pursuant to Article III, Section 2, shall resign and the unit owners shall elect a new board of directors as provided in these bylaws.

3. Annual Meetings. The annual meetings of the Association shall be held in the months of July or August on such date as the chairman may designate, or if the chairman should fail to designate such date by the first day of August, then on the last Saturday in August. 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.

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.

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 not less than ten (10) days nor more than sixty (60) 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.

6. Voting. Each unit owner shall have a vote equal to his percentage interest in the general common elements as set forth in the declaration filed herewith. The developer shall be entitled to vote as the unit owner of any units retained by the developer, 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.

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, shall be filed with the secretary and, unless limited by its terms, shall be deemed valid until revoked in writing.

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.

9. Quorum of Unit Owners. At any meeting of the Association, fifty percent (50%) of the unit owners, 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.

10. Majority Vote. The vote of fifty percent (50%) or more of the unit owners, 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 filed herewith, or by these bylaws.

11. 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.
- (i) Adjournment.

ARTICLE III

BOARD OF DIRECTORS

1. Number and Qualification. The affairs of the Association shall be governed by a board of directors composed of five (5) persons who are owners or co-owners of units of the condominium. For purposes of this section, the officers of developer shall be considered co-owners of any units owned by developer.

2. Interim Directors. Upon the filing of the declaration submitting the condominium to the Oregon Unit Ownership Law, the developer, as owner of all the units, shall appoint an interim board of three (3) directors who are officers of developer and who shall serve until their successors have been elected by the unit owners at the first organizational meeting of the Association.

3. Election and Term of Office. At the first organizational meeting of the Association, the unit owners shall elect five (5) directors. The term of office of two of these directors shall be fixed at one year, and the term of three of these directors shall be fixed at two years. 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 terms of at least one third of the directors shall expire annually. The directors shall hold office until their respective successors have been elected by the unit owners. Election shall be by plurality as provided in Section 6 of Article II of these bylaws.

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. 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.

5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the 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.

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 common elements, except for those portions of the common elements to be maintained by the Administrator of Sunriver.

(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 \$2,000.00 unless the unit owners have enacted a resolution authorizing the project by a vote of seventy-five percent (75%) of the unit owners present in person or by proxy at a meeting at which a quorum is constituted.

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

(l) Performance of any duty or function delegated to the Association by the Administrator of Sunriver pursuant to Section 9.2 of the Plan of Sunriver.

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.

8. Organization Meeting. Within ten (10) 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. No further notice of the organization meeting shall be necessary.

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 (2) directors. Notice of any meeting shall be given to each director, personally or by mail, telephone or telegraph at least fourteen (14) days prior to the day named for such meeting. Notice of any special meeting shall state the time, place and purpose of such meeting.

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. If all of the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

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.

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

13. Liability and Indemnification of Directors, Manager or Managing Agent. The directors shall not be liable to the Association or 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 the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the board of directors, 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 filed herewith or of these bylaws. Each director and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorney's 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, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnity if the director, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of his duties.

14. Fidelity Bonds. The board of directors may require that any or all officers or employees of the Association who handle or are responsible for Association funds shall furnish such fidelity bonds as the board deems adequate. The premiums on such bonds shall be paid by the Association.

15. Insurance. The board of directors shall obtain such liability insurance as the board deems necessary to protect the Association, its officers or employees. In addition, the board of directors, as trustee for the unit owners, shall obtain such casualty 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.

ARTICLE IV

OFFICERS

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 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.

2. Election of Officers. The officers of the Association shall be elected annually by the board of directors at the organization meeting of 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.

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. Chairman. The chairman shall be the chief executive officer of the Association. He shall preside at all meeting 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.

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.

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.

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.

8. Compensation of Officers. No officer who is a member of the board of directors 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 other officers.

ARTICLE V

BUDGET, EXPENSES AND ASSESSMENTS

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 over-assessment, and assess the common expenses to the unit owners according to each unit owner's percentage interest in the general common elements. If there be any limited common elements, the expense of maintaining, repairing or replacing such limited common elements shall be charged to the unit owners to whom such limited common elements pertain. 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.

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 or replacements and deferred maintenance.
- (f) Any charges allocated to the Association by the Administrator of Sunriver under the Plan of Sunriver.
- (g) Any deficit in common expenses for any prior period.
- (h) Any other items properly chargeable as an expense of the Association.

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 filed herewith. The developer 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. 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. Such assessment shall be in addition to any assessments imposed directly upon the unit owner by the Administrator of Sunriver under the Plan of Sunriver.

4. 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 nine percent (9%) per annum on such common expenses from the due date thereof, together with all expenses, including attorney's fees, incurred by the Association in any proceeding brought to collect such unpaid expenses, or any appeal therefrom. The board of directors shall have the right and duty to recover for the Association such common expenses, together with interest thereon, and expenses of the proceeding, including attorney's 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 mortgage upon such a unit of the default, if such holder has so requested in writing.

5. 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.

6. Statement of Common Expenses. 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.

ARTICLE VI

RECORDS AND AUDITS

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 list of owners entitled to vote at meetings of the Association and the percentage vote attributable to each.
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 at convenient hours of weekdays.
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.
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.
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 promptly 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. At any time any owner may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

ARTICLE VII

MAINTENANCE AND USE OF CONDOMINIUM PROPERTY

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 do all redecorating, painting and staining which at any time may be necessary to maintain the good appearance and condition of his unit.

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

(c) Limited common elements. All maintenance, repairs and replacements to limited common elements, if any, shall be made by the Association and shall be charged to the unit owners to whom such limited common elements pertain.

(d) Decks, fences and pathways. All decks, fences and pathways which constitute common elements may be maintained by the Administrator of Sunriver, who shall be entitled to charge the costs of such maintenance either to the Association or to the individual unit owners. If charged to the Association, the board of directors shall charge such costs to the unit owners.

2. Additions, Alterations or Improvements. All additions, alterations or improvements, whether of a unit by the unit owner or of a common element by the Association, must be approved by the design committee as required by the Sunriver declaration establishing Cluster Court and annexing Cluster Court to Meadow Village, and by the Plan of Sunriver.

3. Damage or Destruction by Casualty of Condominium Property.

(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 ninety percent (90%) of the unit owners, 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.

(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 as is not covered by the Association's insurance.

(c) In the event 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 to the unit owners in the same proportion as such unit owners share the common expenses.

4. Condemnation. In the event of a taking in condemnation by eminent domain of part or all of the common elements, the award made

for such taking shall be payable to the Association. If seventy-five percent (75%) or more of the unit owners duly and promptly approve the repair or restoration of such common elements, the board of directors shall arrange for the same, which shall be paid out of the proceeds of the award. In the event seventy-five percent (75%) or more of the unit owners do not duly and promptly approve the repair and restoration of such common elements, the board of directors shall disburse the net proceeds of such award in the same proportions as the unit owners share the common expenses.

5. Restrictions and Requirements Respecting Use of Condominium Property.

(a) Sunriver restrictions. Each unit owner while using his unit or the common elements shall be subject to the limitations, restrictions and requirements set forth in the Sunriver declaration establishing Cluster Court and annexing Cluster Court to Meadow Village, the Plan of Sunriver or any rules and regulations adopted thereunder.

(b) Association rules and regulations. In addition, the Association 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 must be 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 adoption, modification or revocation of 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. Such rules and regulations shall not be inconsistent with any Sunriver restrictions.

6. Right of entry in emergency. A unit owner shall grant the right of entry to the board of directors, managing agent, manager or any other person authorized by the board of directors in the case of any emergency originating in or threatening his unit or other condominium property, whether or not the owner is present at the time.

7. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted hereunder or the breach of any bylaw contained herein or of any provision of the declaration filed herewith 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.

ARTICLE VIII

AMENDMENTS TO BYLAWS

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

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. Such resolution must be approved by seventy-five percent (75%) of the unit owners.

3. Execution and Recording. An amendment shall not be effective until certified by the chairman and secretary of the Association and until recorded as required by law.

ARTICLE IX

MISCELLANEOUS

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.

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.

3. 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.

4. Definitions.

(a) Adoption by reference. The definitions contained in the Oregon Unit Ownership Law and the definitions contained in or adopted by the Declaration filed herewith shall be applicable to these bylaws.

(b) Percentage of unit owners. Whenever a percentage of unit owners is specified herein, such percentage means that percentage in the aggregate of the undivided ownership interests in the general common elements as set forth in the declaration filed herewith.

5. Conflicts. These bylaws are intended to comply with the Oregon Unit Ownership Law, the Sunriver declaration establishing Cluster Court and annexing Cluster Court to Meadow Village, the Sunriver declaration establishing Meadow Village, and the Plan of Sunriver. In case of any irreconcilable conflict, such statute and documents shall control over these bylaws or any rules and regulations adopted hereunder.

STATE OF OREGON)
) ss.
 County of Deschutes)

We, DONALD V. McCALLUM and ~~ROBERT A. GORDON~~ ^{Murray K. Carson}, hereby
 certify that we are the duly elected, qualified and acting chairman
 and ^{asst.} secretary, respectively, of the ASSOCIATION OF UNIT OWNERS OF
 CLUSTER COURT and that the within and foregoing is a full, true and
 complete copy of the bylaws of said Association, duly adopted on
 the 7th day of August, 1969, by SUNRIVER PROPERTIES, INC., the sole
 owner of all the units therein.

IN WITNESS WHEREOF, we have hersunto set our official
 signatures this 7th day of August, 1969.

Donald V. McCallum
 Chairman
Murray K. Carson
 Asst. Secretary

STATE OF OREGON)
) ss.
 County of Deschutes)

On this 7th day of August, 1969, personally appeared
 before me DONALD V. McCALLUM and MURRAY K. CARSON, who, being
 duly sworn, did say that the former is the President and that
 the latter is the Assistant Secretary of SUNRIVER PROPERTIES,
 INC., an Oregon corporation, and that said instrument was
 signed in behalf of said corporation by authority of its board
 of directors; and they acknowledged said instrument to be its
 voluntary act and deed.



Paul Gerald Cook
 Notary Public for Oregon
 My commission expires: Aug 28, 1970

8919

NO. _____
 STATE OF OREGON
 County of Deschutes
 I hereby certify that the within instr-
 ment of writing was received for Recor-
 ne 7th day of Aug, A.D. 1969
 at 2:45 o'clock P.M. and record
 in Book 146 on page 84 Record
 of Deschutes
at 0.00