



After recording return to:

Francis & Martin LLP
1199 NW Wall Street
Bend, OR 97701

These Restated Bylaws supercede the Bylaws recorded at Vol. 346, Page 597, Deschutes County, Oregon.

**RESTATED BYLAWS
OF
DESCHUTES RIVER RECREATION HOMESITE PROPERTY OWNERS
UNIT 6, PART 1 & 2**

ARTICLE 1. NAME AND PURPOSE

Section 1.1 Name.

The corporation shall be called: "DESCHUTES RIVER RECREATION HOMESITE PROPERTY OWNERS ASSOCIATION, UNIT 6, PART 1 & 2" (the "Association").

Section 1.2 Purpose.

The purposes and objects of this Association shall be to provide improvements of a recreational and/or community oriented nature for the benefit of the members of the Association.

ARTICLE 2. MEMBERSHIP

Section 2.1 Membership in the Association.

All owners of a parcel of property within Deschutes River Homesites Unit 6, Part 1 & 2 shall automatically become members of this Association. Any person or entity purchasing any parcel within Deschutes River Homesites Unit 6, Part 1 & 2 under an Agreement of Sale and/or Land Sales Contract shall be deemed the owner of the parcel for the purposes. Joint owners of any lot shall be entitled to one (1) membership.

ARTICLE 3. POWERS

Section 3.1 Powers of the Association.

The Association may:

- 3.1.1 Adopt and amend Bylaws and Rules and Regulations.
- 3.1.2 Adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments for common expenses from property owners.
- 3.1.3 Hire and terminate managing agents and other employees, agents and independent contractors.

3.1.4 Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or on behalf of two (2) or more property owners on matters affecting the Association.

3.1.5 Make contracts and incur liabilities.

3.1.6 Regulate the use, maintenance, repair, replacement and modification of common elements.

3.1.7 Cause additional improvement to be made as a part of the common elements.

3.1.8 Acquire by purchase, lease, devise, gift or voluntary grant real property or any interest therein and take, hold, possess and dispose of real property or any interest therein.

3.1.9 Impose and receive any payments, fees or charges for the use, rental or operation of the common elements.

3.1.10 Impose charges for late payments of assessments and, after giving notice and an opportunity to be heard, levy reasonable fines for violations of the Articles, Bylaws, Rules and Regulations of the Association.

3.1.11 Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments.

3.1.12 Provide for the indemnification of its officers and executive board and maintain Directors' and Officers' liability insurance.

3.1.13 Exercise all other powers conferred by the Articles or these Bylaws.

3.1.14 Exercise all other powers that may be exercised in this State by any such Association.

3.1.15 Exercise any other powers determined by the Association to be necessary and proper for the governance and operation of the Association.

3.2 Execution of Documents.

3.2.1 Subject to Section 3.2.2, the Association has the authority to execute, acknowledge, deliver and record on behalf of the property owners easements, rights of way, licenses and other similar interests affecting the general common elements.

3.2.2 The granting of any interest pursuant to Section 3.2.1 shall be first approved by at least seventy-five percent (75%) of the property owners.

3.2.3 The instrument granting an interest pursuant to Section 3.2.1 shall be executed by the Chairman and Secretary of the Association and acknowledged in the manner provided for acknowledgement of such instruments and shall state that such grant was approved by at least seventy-five percent (75%) of the property owners.

ARTICLE 4. FEES AND DUES

Section 4.1 Assessments.

The Board of Directors shall annually assess each lot in the subdivision its proportionate share of the costs for improvements and maintenance. The costs of maintenance shall include the necessary amounts incurred by the Directors for insurance, bond premiums, equipment rental, materials and labor required for such operation and

maintenance. The owner of the subdivision shall pay a like assessment for each lot remaining unsold in said subdivision, it being the intention that all assessments shall be uniform, as much as is practicable.

Section 4.2 Payment.

The assessments shall become due and payable by the first of each calendar year and shall be considered delinquent sixty (60) days thereafter. The Association shall have the powers and follow the procedure Oregon Planned Community Act (ORS 94.550 - 94.785) in assessing and collecting assessments.

Section 4.3 Lien.

In the event any member shall fail to pay his/her assessments when due and payable, the amount thereof, together with interest at the rate determined by the Board of Directors from such date, and the costs of collection, shall become a part of and constitute a lien against the parcel or parcels owned by said delinquent member. The lien shall attach upon filing, a claim of lien in the office of the County Clerk of Deschutes County, Oregon, particularly describing said parcel or parcels and mailing to the delinquent member at his/her last known address, a copy of said claim of lien. Said lien may be foreclosed. Where a claim has been filed and recorded pursuant to this Section and the property owner of the property or undivided interest subject to the claim thereafter fails to pay any assessment chargeable to such property or undivided interest, then so long as the original or any subsequent unpaid assessment remains unpaid such claim shall automatically accumulate the subsequent unpaid assessments and interest thereon without the necessary of further filings under this Section.

ARTICLE 5. MEMBERSHIP MEETINGS

Section 5.1 Annual Meetings.

The annual membership meeting shall be held in August of each year.

Section 5.2 Special Meetings.

Special membership meetings shall be called by the Secretary upon resolution of the Board or upon petition of five percent (5%) of the voting members. The petition shall state the purpose of the special meeting and may fix a period of two (2) weeks during which the meeting may be held; provided however, that the petition be delivered to the Secretary not less than two (2) weeks before the designated period.

Section 5.3 Quorum.

At any annual meeting a quorum shall consist of five percent (5%) of the membership. The act of a majority of a quorum shall be the act of the members.

Section 5.4 Powers of Meetings.

At a membership meeting declarative resolutions may be adopted and instructions may be issued to the Board provided they do not abridge powers specifically granted to the Board by these Articles. At a special membership meeting no business may be transacted other than that stated as the purpose of the meeting without the unanimous consent of the members present.

Section 5.5 Voting Rights.

Each member shall be entitled to one (1) vote for each tax lot owned by a member. The vote may be cast in person, by proxy or by mail.

Section 5.6 Notice of Meetings.

There shall be not less than ten (10) days written notice given of any meeting of the membership, mailed by regular mail, postage prepaid, to the last known address of each member of the Association stating the date, time, place and purpose of such meeting.

ARTICLE 6. DIRECTORS AND OFFICERS

Section 6.1 Directors.

The management of the Association shall be vested in a Board of Directors of five (5) persons, who shall be elected by the membership, which Directors shall serve for a period of one (1) year and until their successors are duly elected and qualified.

Directors shall hold office until their successors have been elected and shall have entered upon the discharge of their duties.

The Directors shall have the right to the reasonable entry upon any parcel in the district for the purpose of such operation and maintenance without being deemed guilty in any manner of trespass or unlawful entry.

Section 6.2 Duties of Directors.

The Directors shall administer all business carried on by the Association under the direction and control of any special or regular meeting of the members. They shall arrange an impartial audit by a public accountant of the books of the Association at least once a year and shall issue a financial statement to the membership. They shall also issue annually to the membership a full report of its work during the year and of the progress and condition of the Association.

The Board may create advisory committees composed of individuals interested in one (1) or more phases of the work of the Association.

Section 6.3 Officers.

The Officers shall be: President, Vice-President, Secretary, Treasurer, and such others as the Board may deem necessary. The President, Vice-President and Secretary shall be appointed by the Board of Directors from their number at the first regular board meeting following the annual election. All Officers shall hold office at the discretion of the Board.

If the Treasurer is not a member of the Board he may speak, but not vote at board meetings.

Section 6.4 Duties of Officers.

The Officers shall perform the duties usually appertaining to such offices and such other duties as may be delegated to them by the Board.

Section 6.5 Bonds.

All officers and employees of the Association handling funds of the Association shall be bonded.

Section 6.6 Quorum.

At any regular, special or annual meeting a quorum of the Board shall consist of at least sixty percent (60%) of the Board members. The act of at least fifty-one percent (51%) of the Board members then in office shall be the act of the Board.

Section 6.7 Notice.

For other than emergency meetings, notice of the Board of Directors meeting shall be posted at a place or places within the Association property at least three (3) days prior to the meeting or notice shall be provided by a method otherwise reasonably calculated to inform the owners of the meetings. Emergency meetings may be held without notice if the reason for the emergency is stated in the Minutes of the meeting.

Section 6.8 Open Meetings.

All meetings of the Board of Directors of the Association shall be open to owners except at the discretion of the Board the following matters may be considered an executive concession: (1) consultation with legal counsel; (2) personnel matters; and, (3) negotiation of contracts with third parties.

ARTICLE 7. MAIL VOTE

Whenever in the judgment of the Board of Directors any question arises which it considers should be put to a vote of the membership, and when it deems it inexpedient to call a special meeting for that purpose, it may submit the matter to the membership in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority of the votes received by mail within two (2) weeks after such submission to the membership; provided that in each case votes of at least five percent (5%) of the members shall be received. Action taken in this matter shall be as effective as action taken at a duly called meeting.

ARTICLE 8. LIABILITIES

Nothing herein shall constitute members of the Association as partners for any purpose. No member, officer, agent or employee shall be liable for the acts or failure to act of any other member, officer, agent or employee of the Association. Nor shall any member, officer, agent or employee be liable for his acts or failure to act under these Articles, except only acts or omissions arising out of his willful misfeasance.

These Articles shall not be construed to include responsibility of the Association for any individual property improvement.

ARTICLE 9. AMENDMENTS

These Bylaws may be amended, repealed or altered in whole or in part by a majority vote at any duly organized meeting of the Association.

ARTICLE 10. ARTICLES OF ASSOCIATION AND BYLAWS

These Bylaws supercede all previous Articles of Association and Bylaws including, but not limited to, the following documents:

- 10.1 Revised Articles of Association recorded at Volume 30, Page 798;
- 10.2 Revised Articles of Association recorded at Volume 186, Page 0978; and,
- 10.3 Bylaws recorded at Volume 346, Page 597.

The undersigned President and Secretary of the Association certify that these Restated Bylaws were adopted in accordance with the Bylaws procedures.

DATED this 8th day of October, 2003.

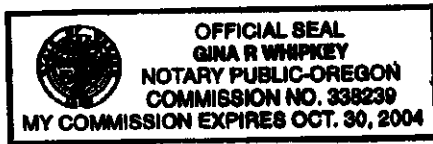
**DESCHUTES RIVER RECREATION
HOMESITE PROPERTY OWNERS
UNIT 6, PART 1 & 2**

By: Mike Swope
Mike Swope, President

By: Thomas H. Tongue
Thomas H. Tongue, Secretary

STATE OF OREGON)
) ss.
County of Deschutes)

On this 8th day of October, 2003, personally appeared before me, Mike Swope, who being duly sworn, states he is the President of DESCHUTES RIVER RECREATION HOMESITE PROPERTY OWNERS UNIT 6, PART 1 & 2, an Oregon non-profit corporation, and that the foregoing instrument was signed and sealed on behalf of said corporation and he acknowledged said instrument to be the voluntary act and deed of said corporation.



Gina R Whipey
Notary Public for Oregon

STATE OF OREGON)
) ss.
County of Multnomah)

On this 8th day of October, 2003, personally appeared before me, Thomas H. Tongue, who being duly sworn, states he is the Secretary of DESCHUTES RIVER RECREATION HOMESITE PROPERTY OWNERS UNIT 6, PART 1 & 2, an Oregon non-profit corporation, and that the foregoing instrument was signed and sealed on behalf of said corporation and he/she acknowledged said instrument to be the voluntary act and deed of said corporation.



Karen N Osgood
Notary Public for Oregon