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FIRST AMERICAN TITLE
INSURANCE COMPANY OF OREGON
P.O. BOX 323
BEND, OR 97709

7066-106111 CW
After Recording Return To:
Robert Schumacher
60850 Raintree Drive
Bend, Oregon 97702

DESCHUTES COUNTY OFFICIAL RECORDS
NANCY BLANKENSHIP, COUNTY CLERK

2003-82867



\$116.00

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12/03/2003 12:07:54 PM

D-PCD Cnt=1 Stn=11 JEFF
\$80.00 \$11.00 \$10.00 \$5.00

**DECLARATIONS, PROTECTIVE COVENANTS, CONDITIONS AND
RESTRICTIONS**

for

**KNOTTS LANDING
DESCHUTES COUNTY, OREGON**

WHEREAS the undersigned Robert M. Schumacher and Sandy L. Schumacher, hereinafter referred to as "Declarant", is owner fee simple of the "said property" more particularly described as follows:

The Northwest Quarter of the ^{Southeast} ~~Southwest~~ Quarter (NW¼ SE¼) and the Southwest Quarter of the Southeast Quarter (SW¼ SE¼) of Section 15, Township 18 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon.

EXCEPTING THEREFROM the South 660 feet of the East 660 feet of the SW¼ SE¼ of Section 15.

ALSO EXCEPTING THEREFROM the South 24, feet of the E½ NE¼ SW ¼ SE¼ of Section 15.

more particularly described in the plat of Knotts Landing, a planned unit development on the property described herein pursuant to land use permit No. CU-00-31 and TP-00-912 for seven residential dwellings, issued by Deschutes County pursuant to Title 17 and Title 19 of the Deschutes County Code;

WHEREAS, a portion of the planned unit development is reserved for "future development" area as described in Exhibit "A" and Declarant reserves the right to develop the "future development" area consistent with applicable city, county, or state law (e.g. if the zoning of the PUD and/or "future development" area is ever changed);

WHEREAS, the Declarant desires to declare his/her intention to create certain protective covenants, conditions, and restrictions for the benefit of said property, and its present and subsequent owners as hereinafter specified;

WHEREAS, Declarant hereby declares that all of the property described herein shall be held, sold and conveyed subject to the following covenants, conditions and restrictions;

NOW, THEREFORE, Declarant hereby declares that all of the said project is and shall be held and conveyed upon and subject to the conditions, covenants, restrictions and reservations hereinafter set forth. These the conditions, covenants, restrictions and reservations shall constitute covenants to run with the land and shall be binding upon all persons claiming under them and also that these conditions, covenants, restrictions and reservations shall inure to the benefit of and be limitations upon all future owners of said property, or any interest therein.

ARTICLE I DEFINITIONS

Whenever used in this Declaration, the terms shall have the meaning set forth in Oregon Revised Statutes 94.550.

ARTICLE II FUTURE DEVELOPMENT

Section 1. At any time Declarant, its successors and assigns, shall have the right to bring within the scheme of this declaration additional lots in said property, in future stages of development, prepared by Declarant, its successors and assigns. **FUTURE DEVELOPMENT MAY OCCUR ON THE "FUTURE DEVELOPMENT" AREA AND ON LOT #7. DECLARANT HEREBY RESERVES THE EXCLUSIVE RIGHT TO ADOPT NEW DECLARATIONS, PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS (CC&R's) FOR ANY NEW LOTS CREATED ON "FUTURE DEVELOPMENT" AREA AND/OR LOT #7.**

Section 2. Additions authorized under this Article shall be made by filing of record a supplemental declaration of covenants and restrictions with respect to the additional lots. Such supplemental declaration may contain such additions and modifications of the covenants and restrictions contained in this declaration as may be necessary for the future lots.

Section 3. Future lots may be created by the Declarant, its successors and assigns and to subject future lots to the jurisdiction of the Knotts Landing Homeowners Association, Inc. and the Architectural Control Committee.

Section 4. **"Future development" area.** Declarant shall retain ownership of the "future development" area and form Knotts Landing Homeowners' Association, Inc. (Association), a non-profit corporation. Declarant shall be responsible for all "future development" area maintenance for the Association until Declarant develops the area with new lots. Declarant may develop the "future development" area at any time in accordance with zoning ordinances and state law.

Section 5. Redevelopment. By ownership of a lot located in Knotts Landing, Owners agree to support the redevelopment of the "future development" area and Lot #7 to the maximum allowed density at the time of development.

Section 6. Amendments to this Article. Article II cannot be amended, altered, modified, or revoked without Declarant, its successors and assigns, consent. This provision shall take precedence over Article 4, Section 4.

ARTICLE III

MEMBERSHIP TO KNOTTS LANDING HOMEOWNERS' ASSOCIATION

Members of the Knotts Landing Homeowners' Association, Inc., a non-profit corporation, shall be every Lot Owner and shall be subject by covenants of record to assessment by the Association. There shall be no other qualification for membership. Membership shall terminate on transfer of fee simply title by an owner or the contract purchaser's interest by a contract purchaser who qualifies as a member. If an owner sells the Lot by contract of sale, upon written notification to the Association the owner's membership shall terminate and the contract purchaser's membership shall commence.

The principle address of the Knotts Landing Homeowners' Association, Inc. is:

60850 Raintree Drive
Bend, Oregon 97702

A copy of the Articles of Incorporation and Bylaws may be requested in writing at the address of the incorporator, listed above.

ARTICLE IV

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Architectural Control. No building shall be erected, placed, or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee (Committee) as to quality of workmanship and materials, harmony of external design with existing structures, as to location with respect to topography and finish grade elevation. The approval signatures of the Committee will be required before applying for a building permit from the governing agency. The Committee will be required to render a decision within thirty (30) days after the date the plans are received.

Section 2. Architectural Guidelines. The purpose of these guidelines is to protect and preserve the value of property and quality of life in the subdivision. The following minimum architectural guidelines will be observed by each builder an/or owner:

- A. Minimum Size. No residence of less than 2,000 square feet of living space, exclusive of garage, shall be permitted to be erected on lots #1-5. No

residence of less than 2,500 square feet of living space, exclusive of garage, shall be permitted to be erected on lots #6 and 7.

- B. **Garage.** Each residence shall include a 3-car garage.
- C. **Roofs.** Roofs shall have not less than a 35-year asphalt composition roof or better roof approved by the Architectural Control Committee.
- D. **Exterior Walls and Trim.** Exterior walls and trim shall be of Double Wall wood (manufactured wood products such as fiberboard, masonite, etc., are considered acceptable). Color samples will be submitted to the Committee with plans for approval. Paint or heavy semi body stain is acceptable. Plywood (T-1-11) is not permitted.
- E. **Exposed Masonry.** Exposed masonry will be limited to local, cultured, or imitation stone to be approved by the Committee. Concrete, concrete block, stucco, and brick may be used with specific approval of the Committee.
- F. **Color.** Both the initial and subsequent building and trim paint color shall be approved by the Architectural Control Committee.
- G. **Building Height.** No building may be erected over 30 feet in height measured from the natural contour of the ground
- H. **Exterior Lighting.** Exterior lighting will be of a type and so placed downward as to eliminate glare and annoyance to adjacent property owners and passersby.
- I. **Driveways.** Driveways will be of concrete, concrete pavers, or asphalt on Lots #1-5. Gravel driveways shall be permitted on Lots #6 and 7.
- J. **Landscape.** All front yards shall be landscaped within six (6) months after the exterior of the residence is finished. Approval of landscape design must be granted from the Architectural Control Committee prior to landscaping.
- K. **Fencing.** Fencing of rear and side yards is authorized for not more than six feet (6') in height, to be made of vinyl white posts and almond bracing. Fencing of front yard is authorized for four feet (4') in height or less, to be made of vinyl white posts and almond bracing on Lots #1 - #5. Fencing approval must be granted from the Committee prior to placement for all lots. It is the adjoining property owners' responsibility to jointly maintain, repair or replace side fences when needed.
- L. **Recreational Vehicles.** No RV parking is authorized in front, rear, or side yards unless RV parking is entirely fenced on Lots #1 - 5. RV parking on

Lots #6 – 7 shall be permitted so long as RV parking is not visually obtrusive. Fencing is not required on Lots #6 – 7.

- M. **Barn.** No barn shall be permitted to be erected on Lots #1-5. Lots #6 and 7 may erect a barn, pole building, or shed with design and color approval from the Committee prior to application of a building permit.
- N. **Shed.** Up to one shed, no larger than 10' x 12', may be allowed on Lots #1-5. Roofing and paint color shall match the residence. Location and design of the sheds must be approved by the Committee.
- O. **Livestock.** There shall be no swine, horses, cattle, poultry, goats or other livestock on lots #1-5. Livestock such as horses, sheep, or goats are authorized on Lots #6 and 7 in the northeast corner of each lot only.

Section 3. **Other Restrictions on Use of Property for Homeowners.**

- A. **Use of Lots.** Each lot shall be used for residential purposes only of not more than one detached single-family dwelling not to exceed two (2) stories in height and not less than a three-car garage.
- B. **Laws and Regulations.** All landowners must comply with the laws and regulations of the state of Oregon, county of Deschutes (and any other applicable governing body e.g., the City of Bend if land is annexed) and any municipality applicable to fire protection, building construction, water, sanitation and public health.
- C. **Use and Occupancy of Private Areas.** Each owner shall be entitled to the exclusive use and benefit of each lot owned by him, except as otherwise expressly provided herein.
- D. **Landscaping.** The use of natural flora and bark, ground covers, grass and trees native to the area is encouraged. *See* Section 2F above.
- E. **Maintenance of Lots.** Each lot and its improvement shall be maintained in a clean and attractive condition, in good repair, and in such a fashion as not to create a fire hazard.
- F. **Mobile Homes, Campers, Trailers.** No mobile homes, campers, trailers may be used as residences, including manufactured housing, except a hardship dwelling as provided by the governing body.
- G. **Appearance.** All garbage, trash, cuttings, refuse, or garbage containers, fuel tanks, clothes-drying apparatus or lines, and other service facilities shall be screened from view from neighboring lots.

H. Utilities. No aboveground utilities, pipes, or wires shall be used to connect improvements with supply facilities. Aboveground irrigation lines are authorized on the "future development" area and Lot #7 only.

I. Offensive or Commercial Activities. No offensive or commercial activities shall be carried on in any lot nor shall anything be placed or constructed on any lot which interferes with or jeopardizes the enjoyment of other lots, or private recreational areas

Section 4. Uses Prohibited Without the Consent of the Architectural Control Committee. Unless the Architectural Control Committee has consented in writing, no parts of said property shall be used in any of the following ways:

- A. As a parking or storage place for trailers, boats, boat trailers, snowmobiles, or other off-road vehicle; however, such may be stored provided they are garaged or reasonably screened, preferably at the rear of the dwelling, from view from all roads and adjoining lots in this subdivision.
- B. As a place to raise domestic animals of any kind except a reasonable number of household pets, which are not kept, bred, or raised for commercial purposes and are not a nuisance to other owners. Pets will be on leash at all times, unless fenced area is provided.
- C. No structure of temporary character, basement, tent, garage, barn or other outbuilding shall be used on any parcel at any time as a residence either temporarily or permanently, except for a hardship dwelling approval by the governing body.
- D. No building, whether intended for use in whole or in part as a main residential structure, or for use as garage or other outbuilding, shall be moved upon the premises unless it is (structurally) aesthetically compatible with the existing buildings in the subdivision.
- E. No used materials (except for brick) will be permitted on exterior surfaces.

Section 5. Vote. A vote of ninety percent (90%) of the owners of the subdivision can adopt, amend, or repeal any or all of the above CC&R's, after the subdivision is 100% built. However, CC&R's applicable to the development of the "future development" area shall be adopted at the sole discretion of Declarant, its successors and assigns, per Article II, Section 1.

Section 5. Consent of the Architectural Control Committee. In all cases in which Architectural Control Committee consent is required, the following provisions shall apply:

- A. **Materials Required to be Submitted.** Where consent must be obtained by lot owners, the owner must submit plans, specifications, and other materials the Architectural Control Committee determines to be necessary to enable it to evaluate the proposal at least thirty (30) days in advance of the occurrence which requires consent.
- B. **Failure to Act.** In the event the Architectural Control Committee fails to render its decision with respect to any proposed work within the thirty (30) days granted it in Article IV, Section 1, the Architectural Control Committee shall conclusively be deemed to have consented to the proposal.
- C. **Improvements.** The Architectural Control Committee shall have the sole power to judge the suitability of any improvement within the subdivision. Any decision by the Architectural Control Committee shall be final and binding on all affected owners and all other owners in the subdivision unless an owner proves to the Association that the Architectural Control Committee's decision was a product of fraud, bad faith or failure to exercise honest judgment.
- D. **Effective Period of Consent.** Architectural Control Committee consent shall be revoked one (1) year after issuance unless the work has been commenced or the owner has applied for and received an extension of time from the Architectural Control Committee.

ARTICLE V ARCHITECTURAL CONTROL COMMITTEE MEMBERSHIP

Section 1. **The Architectural Control Committee.** The following are duly elected to serve on the Architectural Control Committee:

Robert M. Schumacher
60850 Raintree Drive
Bend, Oregon 97702

Sandy L. Schumacher
60850 Raintree Drive
Bend, Oregon 97702

Section 2. **General Provisions. Term.** These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of five (5) years. Any of the covenants and restrictions of this Declaration may be amended during the first twenty-five year period by an instrument signed by members of not less than ninety percent (90%) of the votes. All such amendments must be recorded in the appropriate Deed Records of Deschutes County, Oregon to be effective.

Section 3. **Enforcement.** The Architectural Control Committee shall have the sole right in the event any property within Knotts Landing subdivision is not adequately cared for to notify the negligent party of the condition in writing; if significant action is not

commenced by the negligent party to correct the matter within ten (10) days of such written notification, then the Architectural Control Committee may, at its sole discretion, hire the service of those persons necessary to rectify the condition and levy charges against the negligent property owner in sums adequate to pay for the corrective measures. Such sums shall become a lien against the subject property if not paid in full within fifteen (15) days of billing. This is made specifically to insure the lawns and landscaping are kept in a neat and acceptable appearance as set out in the Protective Covenants established for Knotts Landing subdivision. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. The Architectural Control Committee shall have the exclusive right to enforce these covenants in law or in equity.

Section 4. Severability. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 5. At the time Knotts Landing and "future development" area is completely built, the Architectural Control Committee will change from Robert M. and Sandy L. Schumacher to three (3) homeowners from each phase (which will be decided by a majority of homeowners) who will oversee and enhance all of the above CC&R's.

Section 6. In the event suit is instituted to enforce or interpret any of the terms of this document, the prevailing party shall be entitled to recover from the other party such sum as the Court may determine reasonable as attorney fees at trial or an appeal in addition to expert witness fees, deposition costs, and all other sums provided by law.

Section 7. The Architectural Control Committee has the right to adopt supplemental Architectural Control Committee rules in conformance with this document.

ARTICLE VI TRANSITIONAL ADVISORY COMMITTEE

Section 1. A transitional advisory committee is hereby formed to provide for the transition from administrative responsibility by the Declarant of the planned community to administrative responsibility of the Association. The Declarant shall call a meeting of owners for the purpose of selecting a transitional advisory committee not later than the 60th day after the date the Declarant conveys 50% or more of the lots in the first or only phase of the planned community to owners other than a successor Declarant.

Section 2. The transitional advisory committee shall consist of three or more members. The owners, other than the Declarant, shall select two or more members. The Declarant may select no more than one member. The committee shall have reasonable access to all information and documents which the Declarant is required to turn over to the Association under ORS 94.616.

Section 3. If the Declarant has not completed development of lots or "future development" area in the planned community at the time the meeting called under Section 1, the Declarant may continue to hold the special Declarant rights, other than aright of Declarant control, reserved under the Declaration.

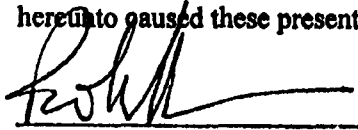
Section 4. Notwithstanding Section 1 of this section, if the owners do not select members for the transitional advisory committee under Section 2 of this section, the Declarant shall have no further obligation to form the committee.

Declarant's obligations under this covenant shall not be extinguished by any subsequent conveyance made in disregard of these covenants, conditions and restrictions.

These covenants, conditions and restrictions shall in addition run with the land and be binding upon any of the Declarant's successors in interest should the property be transferred in disregard of this covenant.

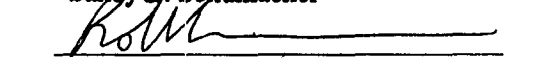
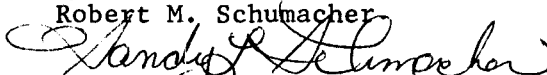
It is intended that this covenant shall have the same effect as a regulation designed to implement the comprehensive plan. This covenant may be enforced by Deschutes County by a suit in equity.

IN WITNESS THEREOF, the undersigned, the owner of all said property, has hereunto caused these presents to be executed this 23 day of October, .2001


Robert M. Schumacher

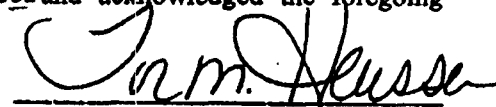
STATE OF OREGON)
) ss.
County of Deschutes)


Sandy L. Schumacher


Robert M. Schumacher

Sandy L. Schumacher

Personally appeared the above named Robert M. Schumacher and Sandy L. Schumacher on this 23 day of October, 2001 and acknowledged the foregoing instrument to be his/her voluntary act.




Notary Public For Oregon
My Commission Expires: 10/21/04

STATE OF Oregon
County of Deschutes

} ss.

This instrument was acknowledged before me on this 2nd day of December, 2003
by Robert M. Schuamcher and Sandy L. Schumacher

Cheryl Williams
Notary Public

My commission expires: 3-15-06



NORTH
SCALE 1"=100'

KNOTTS LANDING

TP-00-912 DATE: 2-5-01
PLANNED UNIT DEVELOPMENT
TAX LOT 1700 LOCATED IN THE
SE 1/4 SECTION 15, TOWNSHIP 18 SOUTH,
RANGE 12 EAST, WILLAMETTE MERIDIAN,
DESCHUTES COUNTY, OREGON

NOTE 1: LINE EASEMENT TO
AND FROM DESCHUTES COUNTY INC.
BC 173A PC 0795

NOTE 2:
THERE IS A BLANKET WATER
LINE AND IRRIGATION DITCH
EASEMENT BC 230, PC 26

I, James R. The Hardy certify
that this is a true and correct
copy of Knotts Landing.
James R. The Hardy
2001

LINE	LENGTH	BEARING	LINE	LENGTH	BEARING
L1	30.00	N 00° 00' 00" E	L13	100.00	N 00° 00' 00" E
L2	30.00	N 00° 00' 00" E	L14	10.00	N 00° 00' 00" E
L3	10.00	N 00° 00' 00" E	L15	10.00	N 00° 00' 00" E
L4	20.81	N 45° 30' 12" E	L16	40.00	N 00° 00' 00" E
L5	507.29	N 00° 00' 00" E	L17	40.00	N 00° 00' 00" E
L6	506.72	N 00° 00' 00" E	L18	20.00	N 00° 00' 00" E
L7	243.60	N 00° 00' 00" E	L19	148.24	N 00° 00' 00" E
L8	284.53	N 00° 00' 00" E	L20	138.07	N 00° 00' 00" E
L9	15.00	N 00° 00' 00" E	L21	20.42	N 00° 00' 00" E
L10	227.72	N 00° 00' 00" E	L22	4.73	N 00° 00' 00" E
L11	214.21	N 00° 00' 00" E	L23	131.17	N 00° 00' 00" E
L12	25.00	N 00° 00' 00" E	L24	34.32	N 00° 00' 00" E
			L25	34.32	N 00° 00' 00" E

CURVE	RADIUS	LENGTH	CHORD	BEARING	DELTA
C1	50.00	79.81	80.00	N 00° 00' 00" E	28.1317
C2	50.00	81.25	79.81	N 00° 00' 00" E	27.9137
C3	50.00	79.81	79.81	N 00° 00' 00" E	28.1317
C4	50.00	81.25	79.81	N 00° 00' 00" E	27.9137

NOTE:
SEE PLATE TWO FOR
BOUNDARY INFORMATION

- - POINT MEASURED AS NOTED
- - SET 3/4" IRON ROD WITH CAP MARKED "KNOTTS"
- - SET 1/4" IRON ROD WITH CAP MARKED "KNOTTS"

REGISTERED
PROFESSIONAL
LAND SURVEYOR
JAMES R. THE HARDY
NO. 15422
EXPIRATION 12-31-2002

After Recording Return To:
Knotts Landing Homeowners' Association, Inc.
60850 Raintree Drive
Bend, Oregon 97702

**BYLAWS
OF
KNOTTS LANDING HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I
NAME AND OFFICES**

The name of this Association is **KNOTTS LANDING HOMEOWNERS' ASSOCIATION, INC.** (Association) and its duration shall be perpetual. The principal address is located at 60850 Raintree Drive, Bend, Oregon 97702 or at such other place as may be fixed from time to time by Association's Board of Directors.

**ARTICLE II
PURPOSE**

Association is organized for the purpose of owning and/or operating a planned unit development in Knotts Landing, a duly recorded subdivision in Deschutes County, Oregon, and for maintaining common areas until they are redeveloped.

**ARTICLE III
DEFINITIONS**

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

- (1) All terms defined in the Declarations, Protective Covenants, Conditions and Restrictions for Knotts Landing shall be so defined.
- (2) "Declarations, Protective Covenants, Conditions and Restrictions for Knotts Landing" (CC&R's) shall be that instrument signed by Declarants on October 23, 2001

**ARTICLE IV
MEMBERSHIP**

Members of the Association shall be every Owner (one vote per Lot) and shall be subject by covenants of record to assessment by the Association. There shall be no other qualification

for membership. Membership shall terminate on transfer of fee simple title by an owner or the contract purchaser's interest by a contract purchaser who qualifies as a member. If an owner sells the Lot by contract of sale, upon written notification to the Association the owner's membership shall terminate and the contract purchaser's membership shall commence.

The principle address of the Knotts Landing Homeowners' Association, Inc. is:

60850 Raintree Drive
Bend, Oregon 97702

A copy of the Articles of Incorporation and Bylaws may be requested in writing at the address of the incorporator, listed above.

ARTICLE V **MEETING OF MEMBERS**

- (1) **Place of Meeting.** Meeting of Members to be held at the principle office or place of business of the Association or at such suitable place convenient to the Members of the Association as may be designated by the Board of Directors.
- (2) **Annual Meetings.** The annual meeting of the members of this corporation shall be held on the first Saturday in June at a convenient time and shall be for the purpose of electing directors for the ensuing year, considering a report of the Chairperson, showing the condition of the corporation at the close of the last fiscal year, and for the transaction of such other business as may be brought before the meeting. The terms of office of the directors so elected shall continue until the election and qualification of their successor as provided herein.
- (3) **Notice.** It shall be the duty of the Secretary to mail notice of such annual or special meeting to each member at least ten (10), but not more than sixty (60), days prior to the meeting. Such notice shall state the purpose of the meeting and the time and place the meeting will be held. Notice mailed to be deemed sufficient within the meaning of this Article if deposited in the United States mail, first class postage prepaid, addressed to each member at his or her last known mailing address, or the address supplied by such member to the Association for the purpose of notice.

Notice of any regular meeting or meetings may be waived by written consent, whether executed before or subsequent to such meeting. The attendance of any member in person or his or her representation by proxy at such meeting shall be deemed a waiver of the prescribed notice.
- (4) In the event the annual meeting of the members of this corporation shall not be held as provided, the election of directors and all other business which might have been

transacted at such annual meeting may be transacted at any adjournment of such meeting or at any special meeting of the members of this corporation called for such purpose.

(5) **Special Meetings.** Special meetings of the members may be called at any time by the Chairman of the Board of Directors upon resolutions by the Board of Directors or written request of at least seventy-five percent (75%) of members.

(6) **Quorum.** Except as hereinafter provided, the presence either in person or by proxy of members entitled to cast at least twenty (20%) of the total votes of the Association shall constitute a quorum for the transaction of business at all meetings. If, however, such quorum shall not be present or represented at such meeting, the members entitled to vote thereon shall have the power to adjourn the meeting from time to time without notice, other than announcement at the meeting, until a quorum as set forth above shall be present or be represented.

If the number of members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place fixed for an annual meeting, or fixed by notice as provided under Special Meetings hereinabove, a majority in interest of the members present in person or by proxy may adjourn from time to time without notice other than by announcement at the meeting, until a quorum of members shall attend in person or by proxy. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting originally called.

(7) **Voting.** At every meeting of the members, each member shall be entitled to vote in person or by proxy appointed by instrument in writing subscribed by such member or his or her duly authorized attorney and delivered to the chairperson of the meeting, one vote for each Lot owned by such person.

ARTICLE VI BOARD OF DIRECTORS

(1) **General Powers.** The business and affairs of the corporation shall be managed by its Board of Directors. The Directors shall in all cases act as a Board and may adopt such rules and regulations for the conduct of their meetings and the management of the corporation as they may deem proper which are not inconsistent with these Bylaws and the laws of the State of Oregon. The Board shall have the power and authority, among other things, to prescribe and fix the compensation of officers; to call meetings of members; and generally, to exercise all powers necessary for the guidance and transaction of the company's business.

(2) **Number and Election.** The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons who must be members of the Association. Directors

shall be elected at annual meetings by a majority of the quorum present at a duly called meeting and shall immediately qualify and organize. The terms of office of such Directors shall begin immediately after election and qualification, and they shall serve for one year and until their successors are elected and qualified.

- (3) **Vacancies.** Vacancies in the Board of Directors shall be filled by a vote of Majority of the remaining Directors. The Director so elected to fill the vacancy shall hold office for the unexpired term of the Director whom he or she succeeds, and until his or her successor shall have been elected and shall have qualified. Vacancies may be filled on an interim basis by the Board of Directors.
- (4) **Removal of Directors.** Any or all of the Directors may be removed for cause by majority vote of the members or the Board of Directors. Directors may be removed without cause only by majority vote of the members.
- (5) **Annual Meetings.** A regular meeting of the Board of Directors of this corporation shall be held immediately following the annual meeting of the members, and no notice to the Directors shall be required for the purpose of holding this meeting.
- (6) **Compensation.** No director shall receive any compensation for any service he may render to the Association as a director. However, any director may be reimbursed for his actual expenses that are incurred in the performance of his duties as director or may receive compensation for services to the Association in a capacity other than as a director.
- (7) **Manner of Election.** Prospective directors will run for a specific vacancy. After nominations from the floor at the annual meeting or by a nominating committee appointed by the Chairman of the Board of Directors, a secret written ballot will be taken of all members or their proxies for each vacancy. Cumulative voting is not permitted. The person receiving the most votes for each vacancy shall be elected.

ARTICLE VII

OFFICERS

- (1) **Number and Term.** The officers of this corporation shall consist of a Chairperson and a Secretary-Treasurer, each of whom shall be elected by the Board of Directors. The Board of Directors, in its discretion, may by resolution appoint such other officers and assistance officers as may be deemed necessary.
- (2) The same person may hold one or more offices of this corporation as determined by the Board of Directors, except that a person may not simultaneously hold the offices of Chairperson and Secretary.

- (3) The officers of the corporation shall be appointed by resolution of the Board of Directors annually at the first meeting of Directors held after the annual meeting of members. Such officers shall be appointed for such terms and with such powers and duties as shall be determined by the Board of Directors.
- (4) **Removal.** All officers of the corporation shall be subject to removal at any time by the Board of Directors.
- (5) **Duties of Officers.**
 - (A) The Chairperson shall preside at all meetings of the Board of Directors and members and shall perform such other duties as the Board of Directors may from time to time authorize.
 - (B) The Secretary shall subscribe the minutes of all meetings of the members and the Board of Directors. He or she shall mail notices to both the members and the Directors of the holding of any meetings as prescribed by these Bylaws. He or she shall be the custodian of the seal of the corporation and shall affix the seal to the minutes and notices. He or she shall likewise attest and affix the seal to other instruments executed by the corporation as required. He or she shall perform such other duties as the Board of Directors may authorize or direct.
 - (C) The Assistant Secretary, in the event of appointment by the Board of Directors, shall, in the Secretary's absence or in case of an inability to act or in case it shall be inconvenient to so act, perform such duties of the Secretary as may be necessary. He or she shall perform such other duties and exercise such authority as the Board of Directors shall direct or confer.
 - (D) The Treasurer shall have charge of all funds belonging to the corporation and shall keep and deposit the same for and on behalf of the corporation in a bank or banks to be designated by the Board of Directors. In the absence of such designation he or she may select the bank or banks in which to deposit such funds.
 - (E) All drafts, checks, and money orders shall bear the signature of two (2) officers of the Association.
 - (F) All funds of the corporation shall be under the supervision of the Board of Directors and shall be handled and disposed of in such manner and by such officers or agents of this corporation as the Board of Directors may be proper resolutions from time to time authorize.
 - (G) The Board of Directors may create such subordinate offices and employ such subordinate officers or agents as it may from time to time deem expedient and

may fix the compensation of such officers or agents and define their powers and duties, provided such powers and duties do not constitute a delegation of such authority as is reposed in the Directors by law, which shall be exercised and performed exclusively by them.

- (H) The Board of Directors shall also have power to appoint a general manager, who shall hold office at the pleasure of the Board. The Board of Directors shall have the power to delegate to the general manager such executive power and authority as they may deem necessary to facilitate the handling and management of the corporation's property and interests.

ARTICLE VIII **COMMITTEES**

The Board of Directors shall appoint such committee as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association. Such committees shall exercise all powers and be subject to all duties which the Board of Directors shall give them. Committee members need not be members of the Board of Directors, but shall be members of the Association. A majority of the members of any committee shall fix its procedures.


ARTICLE IX **FISCAL YEAR**

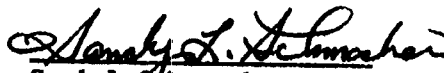
The fiscal year of the corporation shall commence on the first day of January in each year and end of the thirty-first day of December in each year.

ARTICLE X **AMENDMENT OF BYLAWS**

The Bylaws may be modified or repealed and new Bylaws may be adopted by the Board of Directors. Amendments may be proposed by the Board of Directors or by petition signed by at least 20 percent (20%) of the members. In the case of any conflict between the Knotts Landing CC&R's and these bylaws, such CC&R's will control.

IN WITNESS THEREOF, the undersigned elected officers of the Knotts Landing Homeowners' Association, has hereunto caused these presents to be executed this 23 day of October, 2001.

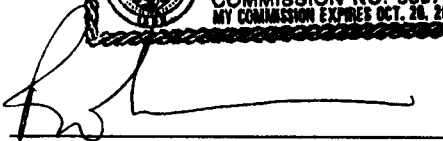

Robert M. Schumacher
Chairperson

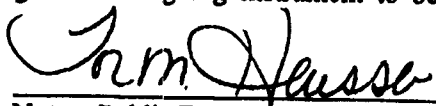

Sandy L. Schumacher
Secretary/Treasurer

STATE OF OREGON)
) ss.
County of Deschutes)

Personally appeared the above named Robert M. Schumacher and Sandy L. Schumacher on this 23 day of October, ~~2000~~ ²⁰⁰¹ and acknowledged the foregoing instrument to be his/her voluntary act.




Robert M. Schumacher

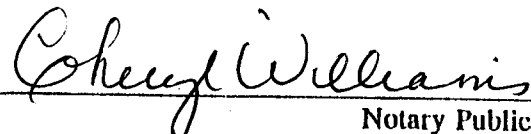

Notary Public For Oregon
My Commission Expires: 10/26/04


Sandy L. Schumacher

STATE OF Oregon
County of Deschutes) ss.

This instrument was acknowledged before me on this 2nd day of December, 2003
by Robert M. Schumacher and Sandy L. Schumacher




Notary Public
My commission expires: 3-15-06