



After recording, please return to:
Ni-Lah-Sha Village #1 Association Inc.
1600 NE 6th St.
Redmond, Oregon 97756

BYLAWS
OF
NI-LAH-SHA VILLAGE NO. 1 ASSOCIATION INC.

ARTICLE I
NAME & LOCATION

- 1.1 The name of this corporation is Ni-Lah-Sha Village No.1 Association Inc., an Oregon nonprofit corporation hereinafter referred to as the "Association." The address for the association shall be 1600 NE 6th St. Redmond, Oregon 97756, but meetings of the members and directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

- 2.1 "Association" shall mean and refer to Ni-Lah-Sha Village No. 1 Association Inc., its successors and assigns.
- 2.2 "Properties" shall mean and refer to that certain real property described in the Declaration of Reservations of Ni-Lah-Sha Village, Phase I, a Planned Community and such additions thereto as may hereafter be brought within the power and jurisdiction of the association in accordance with the provisions of the Declaration of Reservations, Restrictions and Covenants of Ni-Lah-Sha Village, Phase I, a Planned Community.
- 2.3 "Common Area" shall mean all real property owned by the association for the common use and enjoyment of the Owners.
- 2.4 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common area. "If two lots are combined for one dwelling it shall be considered one lot and one vote for all voting purposes."
- 2.5 "Owner" shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the

- properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- 2.6 "Association" shall mean and refer to Ni-Lah-Sha Village No 1 Association Inc., an Oregon corporation.
- 2.7 "Declaration" shall mean and refer to the Declaration of Reservations, Restrictions and Covenants of Ni-Lah-Sha Village No. 1 Association Inc., Phase 1, a planned community, recorded on March 7, 2003 in the office of the County Clerk, Deschutes County, Oregon reception No. 2003-17116.
- 2.8 "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III MEETING OF MEMBERS

- 3.1 Annual Meeting. Annual meetings of the members shall be held in May, at a place, time and date as designated by the Board of Directors.
- 3.2 Special Meetings. Special meetings of the members may be called at any time by the president or the Board of Directors, or upon written request of members who are entitled to vote one-fourth (1/4) of all votes of the association. "Only the subject for which the meeting was called shall be discussed."
- 3.3 Notice of Meetings. Written notice of each meeting of the members shall be given by or at the direction of the secretary or person authorized to call the meeting, by mail or delivery of notice to the homeowners. Such notice shall specify the place, day and hour of the meeting and in case of a special meeting, the purpose of the meeting.
- 3.4 Quorum. The presence at the meeting of the members entitled to cast, one-fourth (1/4) of the votes of the association shall constitute a quorum for any action except as otherwise provided by the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such a quorum shall not be present or represented at any meeting, the members entitled to vote shall have the power to adjourn the meeting.
- 3.5 Absentee Ballots. At all meetings of the members, each member may vote in person or by absentee ballot. All ballots shall be in writing and filed with the secretary.
- 3.6 Voting Rights of Members. Each lot shall be entitled to one vote.

ARTICLE IV BOARD OF DIRECTORS SELECTION, TERM OF OFFICE

- 4.1 Number. The affairs of this association shall be managed by a board of five (5) or more directors, who shall be members of the association.

- 4.2 Term of Office. The terms of office are two (2) directors for a one (1) year term, two (2) directors for a two (2) year term and one (1) director for a three (3) year term. At each annual meeting the members shall elect two (2) directors. One (1) director for a three (3) year term and one (1) director for a two (2) year term to fill the vacancies of the two (2) expiring one (1) year terms. The three (3) year term will go to the person with the largest number of votes.
- 4.3 Removal. Any director may be removed from the board, with or without cause, by a majority of all the votes of the association. In the event of the death, resignation or removal of a director, his successor shall be the person having the next highest number of votes at the previous annual meeting and shall serve for the un-expired term of his/her predecessor.

ARTICLE V NOMINATIONS AND ELECTION OF DIRECTORS

- 5.1 Nomination. Nomination for the election to the Board of Directors shall be made by the Nominating Committee, by compiling forms sent out and received back from association members stating their desire to run. The Nominating Committee will consist of a chair person, who shall be a member of the Board of Directors, and two (2) or more members of the association. The Nominating Committee shall be determined by interested homeowners of the association and approved by the Board of Directors. The Nominating Committee shall collect as many nominations for the election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The Nominating Committee shall be determined as soon as possible after the election of the new Board of Directors and serve until the close of the following annual meeting.
- 5.2 Election. Election to the Board of Directors shall be by secret written ballot. The election of the Board of Directors will be held by mail or delivery to the homeowners prior to the Annual Meeting with the secrecy envelopes being opened at the meeting and counted by the Nominating Committee. The person receiving the largest number of votes shall be elected.

ARTICLE VI MEETING OF DIRECTORS

- 6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, with written notice to the association members stating the date, place and time to be determined by the Board of Directors.

- 6.2 Special Meetings. Special meetings of the Board of directors shall be held when called by the president of the association, or by any two (2) directors, after not less than three (3) days' notice to each director.
- 6.3 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by the majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.
- 6.4 Executive Meetings. An Executive Meeting of the Board of Directors will be closed to association members and be held at the discretion of the board.

ARTICLE VII
POWERS AND DUTIES OF
THE BOARD OF DIRECTORS

- 7.1 **Powers.** The Board of Directors shall have the power to:
 - A. Adopt and publish rules and regulations governing the use of the common areas and the personal conduct of the members and their guests thereon, and to establish fines and penalties for the violation thereof;
 - B. Suspend the voting rights of member during any period in which such member shall be in default in the payment of any assessment levied by the association. Such rights may also be suspended after notice of a hearing, for a period not to exceed sixty(60) days for violation of any published rules and regulations;
 - C. Exercise for the association all powers, duties and authority vested in or delegated to this association and not reserved to the membership by other provisions of these Bylaws, the Article of Incorporation or the Declaration;
 - D. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive quarterly meetings of the Board of Directors;
 - E. Employ an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;
 - F. Upon verification of a violation of the Bylaws or rules of the association, the homeowners will be contacted verbally, followed by a written certified letter. This letter will have a deadline at which time the homeowner must have corrected the problem/violation or requested a hearing with the board. If this does not occur, a \$100.00 assessment may be added to the homeowner's bill. Then, if the assessment is not paid and the violation corrected, our attorney will be contacted which could result in costly expenses.

7.2

Duties: It shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by the members possessing one-fourth (1/4) of the total votes of the association.
- B. Supervise all officers, agents and employees of the association and see that their duties are properly performed;
- C. As more fully provided in the Declaration, to:
 - 1. Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual period;
 - 1.1 Fix the amount of any special assessments against each lot provided that any special assessment that exceeds fifty (50) percent of the annual Operational and Maintenance budget must be approved by a majority vote of the members representing the total votes of the association.
 - 2. Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - 3. Foreclose the lien against any property for which the assessments are not paid within ninety (90) days after each due date or to bring an action at law against the owner personally obligated to pay the same.
- D. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- E. Procure and Maintain adequate liability and hazard insurance on the property owned by the association;
- F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- G. Provide for the maintenance, repair and replacement of the common areas including, but not limited to, (a) maintaining all private roads within the development, (b) performing the STEP System Specific Maintenance Schedule and by this reference incorporated herein; and (c) operating and maintaining the Landscape Irrigation System including the equipment in the holding ponds, the main lines bringing water to each lot, and timing system controlling delivery of water to each lot, excluding the sprinkler system on each individual lot.

- H. Administer the reserve account which shall be established by the association in accordance with the provisions of the Declaration.

ARTICLE VIII OFFICERS AND THEIR DUTIES

- 8.1 Enumeration of Officers. The officers of this association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a secretary, a treasurer and such other officers as the board may from time to time by resolution create.
- 8.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members
- 8.3 Term. The officers of this association shall be elected annually by the board and shall each hold office for one (1) year unless he shall sooner resign, or be removed, or otherwise be disqualified to serve.
- 8.4 Special Appointments. The board may elect such other officers as the affairs of the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may from time to time determine.
- 8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time giving written notice to the board, the president or the secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 8.6 Vacancies. A vacancy in any office may be filled by appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the office he/she replaces.
- 8.7 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 8.4 of these Bylaws.
- 8.8 Duties. The duties of the officers are as follows:
- A. President. The president will preside at all meetings of the Board of Directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.
 - B. Vice-President. The Vice-President shall act in place and stead of the president in the event of his/her absence, inability or refusal to act, and

shall exercise and discharge such other duties as may be required of him/her by the board.

- C. Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; keep the corporate seal; service notice of meetings of the board and the members; keep appropriate current records showing the members of the association, together with their addresses and shall perform such other duties as required by the board.
- D. Treasurer. The treasurer shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the association; keep proper books of account; cause all tax returns and other governmental reports to be timely prepared and filed; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members. Although the treasurer cannot be a member of the Audit Committee, he/she shall be in attendance at the time of the audit to answer questions that the committee has pertaining to the books.
- E. Bookkeeper. The bookkeeper shall bill each homeowner on a monthly basis for their portion of the water, sewer, electrical, and reserves. He/she will receive and deposit in appropriate bank accounts all monies received from this billing of the association. He/she will give copies of all billings and deposits to the treasurer for recording and financial preparation.

ARTICLE IX BOOKS AND RECORDS

The books, records and papers of the association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, Articles of Incorporation and the Bylaws of the association shall be available for inspection by any member on request.

ARTICLE X ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the association annual and special assessments which are secured by a lien upon the property against which the assessment is made. Any assessments not paid when due, shall be considered delinquent. If the assessment is not paid by the 16th of the month following the billing, a \$12.00 service charge may be assessed, and the association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's

fees of any such action and any appeal thereof shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common area or abandonment of his lot

ARTICLE XI AMENDMENTS

- 11.1 These Bylaws may be amended, at a regular or special meeting of the members, by a vote of members representing seventy-five percent (75%) of the total votes in the association
- 11.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII FISCAL YEAR

The fiscal year of Ni-Lah-Sha Village No. 1 Association Inc. shall begin on the first day of January and end on the 31st day of December of every year, except in that first fiscal year shall begin on the date of incorporation.

These Bylaws replace any and all Bylaws previously presented, recorded or not recorded. These Bylaws were approved by a majority of the Homeowners of Ni-Lah-Sha Village No. 1 Association Inc.

IN WITNESS WHEREOF, we being all of the current Directors of the
Ni-Lah-Sha Village No. 1 Association Inc., have hereunto set out hands on

This 11 day of December, 2013.

Robert Miranda
Robert Miranda, President

Glen Campbell
Glen Campbell, Vice-President

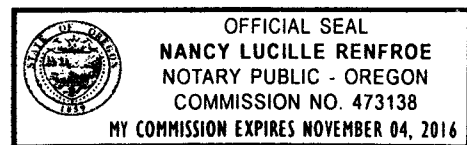
John Winckler
John Winckler, Treasurer

Loraine M. Fleck
Loraine Fleck, Secretary

State of Oregon
County of Deschutes

This instrument was acknowledged before me on 12-11-13 by
Robert Miranda, Glen Campbell, John Winckler and Loraine Fleck as Officers of Ni-
Lah-Sha Village No. 1 Association Inc.

Nancy C. Renfro



Notary Public for Oregon, my commission expires on 11-4-16