

BYLAWS

OF

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TENNIS VILLAGE TOWNHOUSES

Section 1. The provisions of these Bylaws are applicable to the project. The term "project" as used herein shall include the land, all buildings, improvements and structures contained thereon and known as TENNIS VILLAGE TOWNHOUSES.

Section 2. Acquisition of a unit in this project shall automatically make the purchaser a member of the Association of Unit Owners of Tennis Village Townhouses (hereafter referred to as Association) and signify that these Bylaws are accepted, ratified and will be complied with. All present or future owners, tenants, future tenants or any other person who might use the facilities of the project in any manner are subject to the regulations set forth in these Bylaws.

Section 3. The Association Office: The office of the Association shall be located at 63950 Tyler Road, Bend, Oregon 97701, or such other place as the Board of Directors as hereinafter defined may designate.

Section 4. Unit Owners.

4.1 Annual Meeting: The annual meeting of the Unit Owners shall be held on the last Saturday in February of each year, at the hour of 4:00 P.M., for the purpose of electing directors and for the transacting of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting of Unit Owners, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Unit Owners as soon thereafter as conveniently may be, not more than 60 days after said time, by proper notice designating the meeting as the annual meeting.

4.2 Special Meetings: Special meetings of the Unit Owners, for any purpose or purposes, may be called by

the chairman or by the Board of Directors, and shall be called by the chairman at the request of not less than one-fifth of the Unit Owners entitled to vote at the meeting.

4.3 Place of Meeting: The office of the Association shall be the place of meeting for all annual and special meetings of the Unit Owners, or such other place as the Board of Directors may designate by proper notice.

4.4 Notice of Meeting: Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the chairman, the secretary of the Association or persons calling the meeting, to each Unit Owner entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Unit Owner at his residence address, with postage thereon prepaid.

4.5 Quorum of Unit Owners: A majority of Unit Owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of unit owners. If less than a majority of the entire number of unit owners entitled to vote are represented at a meeting, a majority of the unit owners so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting, at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Unit Owners present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Unit Owners to leave less than a quorum, provided that any meeting called for the purpose of approving amendments by Bylaws, removal of directors, capital improvements or the addition or construction of new facilities, a quorum shall consist of not less than 75 percent of the Unit Owners entitled to vote, represented in person or by proxy.

4.6 Proxies: At all meetings of the Unit Owners, a Unit Owner may vote by proxy executed in writing by the Unit Owner or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy.



4.7 Voting of Unit Owners: Each Unit Owner shall be entitled to the number of votes equal to his interest in the common elements as set forth in the Declaration of Ownership of Tennis Village Townhouses.

4.8 Informal Action by Unit Owners: Any action required to be taken at a meeting of the Unit Owners, or any other action which may be taken at a meeting of the Unit Owners, may be taken without a meeting by a consent in writing, setting forth the action so taken and signed by all the Unit Owners entitled to vote with respect to the subject matter thereof.

Section 5. Board of Directors.

5.1 General Powers: The business and affairs of the Association shall be managed by its Board of Directors.

5.2 Number, Tenure and Qualifications: The number of directors of the Association shall be three. Upon the initial election of directors, one shall be elected for a term of one year, one for two years and one for three years, with the term of directors subsequently elected to be for a period of three (3) years. Each director shall hold office until the annual meeting of the year in which his term shall expire and until the election and qualification of his successor.

5.3 Regular Meetings: A regular meeting of the Board of Directors shall be held without notice, other than this Bylaw, immediately after and at the same place as the annual meeting of Unit Owners. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without notice other than such resolution.

5.4 Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the chairman of the Board of Directors or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting called by them.

5.5 Notice of Special Meeting of Board of Directors: Notice of any special meeting shall be given at least 72 hours previously thereto by written notice delivered personally or mailed to each director at his residence or business address or by telegram; if mailed, such notice shall be

deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of the meeting. The attendance of the director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

5.6 Quorum of Directors: A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

5.7 Manner of Directors Acting: The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

5.8 Vacancies on Board of Directors: Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors or by reason of the removal of one or more directors shall be filled by an election at an annual meeting or at special meeting of the Unit Owners called for that purpose.

5.9 Presumption of Assent: A director who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.



5.10 Removal of Directors: All or any number of the directors may be removed with or without cause at a meeting expressly called for that purpose by a vote of 60 percent of the Unit Owners entitled to vote on an election of directors. Furthermore, any director who ceases to become a Unit Owner entitled to vote shall automatically cease to be a director and said position shall be filled as herein provided.

5.11 Compensation of Directors: The directors shall serve without compensation except that any director shall be entitled to compensation for out-of-pocket expenses incurred in the performance of his duties, provided that no expenses shall be incurred in a sum in excess of \$25 without being approved in advance by the entire Board of Directors. All reimbursements made and/or authorized by the Board of Directors to any director shall be reported annually to the members.

5.12 Directors to Engage Manager: When the project has been completed in accordance with the Declaration of Unit Owners for Tennis Village Townhouses, the Board of Directors shall engage the services of an individual, firm or one of the Unit Owners to act as manager and may employ or may instruct such manager to employ such other personnel as may be necessary from time to time for the maintenance, upkeep and repair of the common elements. The Board of Directors shall determine the compensation to be paid to such manager and to such other personnel, and such compensation shall constitute a common expense.

5.13 Directors to Adopt Administrative Rules and Regulations: The Board of Directors shall from time to time adopt such administrative rules and regulations, in addition to those set out in Section 7 of these Bylaws, as may be necessary or desirable to govern the details of the operation and use of the common elements, and may, by such administrative rules and regulations, adopt restrictions and requirements with respect to the use and maintenance of the units and the use and maintenance of the common elements as are desirable to prevent unreasonable interference with the use of their respective units and of the common elements by the Unit Owners.

## Section 6. Officers.

6.1 Number: The officers of the Association of Unit Owners shall be the chairman of the Board of Directors,

a secretary and a treasurer, each of whom shall be elected by the Board of Directors.

6.2 Election and Term of Officers: The officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Unit Owners. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and qualified, or until his earlier death, resignation or removal.

6.3 Removal: Any officer elected or agent designated by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.4 Vacancies: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

6.5 Chairman of The Board of Directors: The chairman of the Board of Directors shall, when present, preside at all meetings of the Unit Owners and of the Board of Directors and shall perform all duties incident to such office and such other duties as may be prescribed by the Board of Directors from time to time. He shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Association. He shall sign, with the secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association or shall be required by the law to be otherwise signed or executed.

6.6 Secretary: The secretary shall:

- (a) Keep the minutes of the meetings of Unit Owners and the Board of Directors in one or more books provided for that purpose.



- (b) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
- (c) In general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the chairman of by the Board of Directors.

6.7 **Treasurer:** If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall:

- (a) Have charge and custody of and be responsible for all funds of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever; and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and
- (b) In general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the chairman or by the Board of Directors.

6.8 **Salaries:** The salaries of the officers may be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving a salary by reason of the fact that he is also a director of the Association.

#### Section 7. General Rules And Regulations.

7.1 **Use and Maintenance of Common Elements:** Each Unit Owner may use the common elements in accordance with the purpose for which they are intended, but may not hinder or encroach upon the lawful rights of the other Unit Owners.

- (a) The necessary work to maintain, repair or replace the common elements, and additions or improvements to the common elements, shall be the responsibility of the Board of Directors and shall be carried out as provided in the Bylaws.

- (b) The Association of Unit Owners shall have the right, to be exercised by the Board of Directors or the manager employed by the Board of Directors, to have access to each unit as may be necessary for the maintenance, repair or replacement of any of the common elements, or to make such emergency repairs, if necessary, for the public safety or to prevent damage to the common elements or to another unit.
- (c) The Board of Directors, or the manager at its direction, is authorized to employ the personnel necessary or convenient for the maintenance, upkeep and repair of the common elements.
- (d) The costs of maintenance, upkeep and repair shall be paid by checks drawn on the Association's bank account and signed as provided in Section 8.3 hereof.

#### 7.2 Apportionment of Receipts and Expenses:

Receipts of the property shall be distributed among, and the common expenses shall be charged to, the Unit Owners on the basis of the percentage of ownership as set forth in the Declaration of Tennis Village Townhouses. Receipts by Unit Owners for rental of their unit shall not constitute common receipts. The Association shall bill each owner monthly for his share of the common expenses which he shall pay within 10 days or receipt of such billing. If any Unit Owner shall become delinquent for two successive monthly payments of such common expenses, the Board of Directors shall proceed to record a lien against his unit pursuant to ORS 91.580. No Unit Owner may exempt himself from liability for his contribution towards common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit.

#### Section 8. Contracts, Loans, Checks, and Deposits:

8.1 Contracts: The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.



8.2 Loans: No loans shall be contracted on behalf of the Association, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by the affirmative vote of three-fourths of the Unit Owners. Such authority may be general or confined to the specific instances.

8.3 Checks, Drafts, Vouchers, etc.: All checks, drafts, vouchers or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents, of the Association and in such manner as shall from time to time be determined by the resolution of the Board of Directors.

8.4 Deposits: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

8.5 Billing of Common Expenses: Each Unit Owner shall be entitled to receive from the treasurer at the time of demand for payment of common expenses an itemized statement of common expenses. Such itemized statements shall be prepared in such manner as the Board of Directors shall determine.

Section 9. Adoption and Amendment of Administrative Rules and Regulations: By majority vote the Association shall adopt, and thereafter amend, such rules and regulations governing the details of the operations and use of the common elements as shall not contravene these Bylaws or the Declaration of Tennis Village Townhouses.

Section 10. Sunriver Plan and Declarations: In addition to these Bylaws and the Tennis Village Townhouses Declaration, and the Association of Unit Owners, all Unit Owners and all persons using the condominium property are subject to the Plan of Sunriver, recorded June 20, 1968, in Volume 159, Page 198, Deed records. Supplement to Plan of Sunriver recorded October 19, 1976, in Volume 239, Page 270, Deed records; the Sunriver Declaration Establishing Meadow Village Area 1; recorded June 20, 1968, in Volume 159, Page 237, Deed records and the Sunriver Declaration Establishing Block 1 Meadow Village and Annexing Block 1 Meadow Village to Meadow Village recorded July 2, 1976, in Volume 233, Page 710, Deed records.

Section 11. Indemnification of Directors and Officers: Each director and officer of the Association now or hereafter in office and his heirs, executors and administrator shall be indemnified by the Association against all costs, expenses

and amounts or liability therefor, including counsel fees reasonably incurred by or imposed upon him in connection with or resulting from any action, suit, proceeding or claim to which he may be made a party, or in which he may be or become involved by reason of his acts or alleged acts of omission or commission as such director or officer, or subject to the provisions hereof, any settlement thereof, whether or not he continues to be such director or officer at the time of incurring such costs, expenses or amounts. Such indemnification shall not apply, however, with respect to any matter as to which such director or officer shall be finally adjudged in such action, suit or proceeding to have been individually guilty of willful misfeasance or malfeasance in the performance of his duty as such director or officer. Further, the indemnification herein provided shall, with respect to any settlement of any such suit, action, proceeding or claim, include reimbursement of any amounts paid and expenses reasonably incurred in settling of any such suit, action, proceeding or claim when in the judgment of the Board of Directors the settlement and reimbursement appear to be for the best interest of the Association. The foregoing exclusive right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such director or officer may be entitled under any agreement, vote of Unit Owners, or otherwise.

Section 12. Amendments: Amendments to these Bylaws may be proposed by resolution of the Board of Directors at any time. Amendments to the Bylaws may also be proposed at any meeting of the Unit Owners. No amendments of the Bylaws proposed in either of such ways shall be effective unless approved by 75 percent of the Unit Owners and until a copy of the Bylaws, as amended, certified by the chairman and secretary of the Association of Unit Owners, is recorded.

  
Daniel E. Kearns 12/13/76

  
Barbara B. Kearns





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STATE OF OREGON           )  
                                  ) ss.  
COUNTY OF DESCHUTES    )

The above-signed hereby certify that the above Bylaws were adopted on behalf of the Association of Unit Owners of Tennis Village Townhouses, hereafter to be formed; and that they are president and secretary, respectively, of the developer, Danara Construction, Inc.

Executed before me this 13th day of December, 1976.

*Robert J. Airitt*  
Notary Public for Oregon  
My Commission Expires Sept. 18, 1978



12437

STATE OF OREGON  
County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 13 day of Dec, A.D. 1976 at 3:42 o'clock P. M., and recorded in Book 242 on Page 93 Records of         
ROSEMARY PATTERSON  
County Clerk  
By        Deputy