

RIVER RANCH HOMEOWNERS' ASSOCIATION, INC.

BYLAWS

Article 1
Officers

Section 1. Executive Officers: The Executive Officers of the Corporation shall be a President, a Vice-President and a Secretary-Treasurer. The first President shall hold office for three years, after which time the President shall be elected annually by the Board of Governors. All other officers shall be elected annually by the Board of Governors, hereafter sometimes referred to as the Board. They shall take office immediately after election. The officers of the Corporation for the first three years need not be members of the Corporation. Thereafter, they shall be members of the Board of Governors and members of the Corporation.

Section 2. The President: Subject to the direction of the Board of Governors, the President shall be the chief executive officer of the Corporation, and shall perform such other duties as from time to time may be assigned to him by the Board. The President shall be ex officio a member of all committees.

Section 3. The Vice President: The Vice President shall have such power and perform such duties as may be assigned to him by the Board of Governors or the President. In case of the absence or disability of the President, the duties of that officer shall be performed by the Vice President.

Section 4. The Secretary-Treasurer: The Secretary-Treasurer shall keep the minutes of all proceedings of the Board of Governors and of all committees and the minutes of the members' meetings in books provided for that purpose; the Secretary-Treasurer shall have custody of the corporate seal and such books and papers as the Board may direct, and shall in general perform all the duties incident to the office of Secretary-Treasurer, subject to the control of the Board of Governors and the President; and shall also perform such duties as may be assigned by the President or by the Board.

Section 5. The Secretary-Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the corporation and shall perform all duties incident to the office of Secretary-Treasurer, subject to the control of the Board of Governors and the President. The Secretary-Treasurer shall perform such other duties as may from time to time be assigned by the Board or the President. If required by the Board, he/she shall give a bond for the faithful discharge of Secretary-Treasurer duties in such sum as the Board may require.

Section 6. Subordinate officers: The President, with the approval of the Board of Governors, may appoint such other officers and agents as the Board may deem necessary, who shall hold office during the pleasure of the Board, and who shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

Article II

Board of Governors

Section 1. Number of members: The business and affairs of this Corporation shall be managed by a Board of Governors which shall consist of not less than five nor more than the number of lot members in the subdivision. The first Board of Governors need not be members of the Corporation. Thereafter, all of the Board shall consist of members of the Corporation. At the inception of the Corporation, the Board shall consist of four members named in the Articles of Incorporation, and thereafter the number of Governors shall be fixed by the Board.

Section 2. Executive Committee: The Board of Governors may elect from their number an Executive Committee consisting of not less than three members of the Board, which committee shall have all the powers of the Board of Governors between meetings, regular or special. The President of the Corporation shall be a member of and shall be chairman of the Executive Committee. The Board of Governors shall also appoint an Architectural Review Committee of not less than three property owners, whose powers shall include the supervision, maintenance and enforcement of the conditions and restrictions set forth in Clatsop County deed records recording instrument number 200702487 dated 03/13/2007 for the River Ranch Subdivision.

Section 3. Regular Meetings: The Board shall meet for the transaction of business at such place as may be designated from time to time.

Section 4. Special Meetings: Special meetings of the Board of Governors may be called by the President or by three members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meetings.

Section 5. Quorum: The Governors shall act only as a Board, and the individual Governors shall have no such power as such. A majority of the Governors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of

Governors present at any meeting at which there is a quorum shall be the act of the Board of Governors, except as may be otherwise provided by law.

Section 6. Order of Business: The Board of Governors may from time to time determine the order of business at its meeting.

Section 7. Chairman: At all meetings of the Board of Governors the President, or, in his/her absence, the Vice President, or in the absence of both, a chairman chosen by the Governors present, shall preside.

Section 8. Terms of Members of the Board: The first Board of Governors named in the Charter of the Corporation shall serve for three years. Thereafter, they shall be elected by the members of the Corporation.

Section 9. Annual Report: The Board of Governors, after the close of the fiscal year, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 10. Vacancies in the Board: Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote, to select a member of the Association to serve the unexpired term of the vacancy.

Section 11. As required by ORS 94.630(1)(p), The homeowner's association shall provide indemnification of its officers and the Board of Governors and maintain liability insurance for the governors and officers. In addition to indemnifying the governors and officers the association shall also indemnify the Architectural Review Committee and all other committee members of the association.

Article III ***Meetings of the Members***

Section 1. Annual Meetings: There shall be an annual meeting of the members of the Corporation, at such place as may be designated, on the second Saturday in March each year if not a legal holiday under the laws of the State of Oregon, and if a legal holiday, then on the next succeeding business day, for the transaction of such business as may come before the meeting.

Section 2. Special Meetings: Special meetings of the members shall be held whenever called by the Board of Governors or by the holders of at least ten memberships. Notice of each special meeting, stating the time, place and, in general terms, the purpose or purposes thereof, shall be sent by mail to the last known address of all members at least ten days prior to the meeting.

Section 3. Proxy: Every member may cast one vote, either in person or by proxy, for each lot owned by that particular member, solely or jointly, or by the corporation owning the lots or lots of which he is a stockholder and member thereof.

Section 4. Quorum: At any meeting of the members, a quorum shall consist of the members owning, jointly or solely, or members representing the corporation owning a majority of the lots in River Ranch Subdivision, present either in person or by proxy, and a majority in amount of such quorum shall decide any question that may come before the meeting.

Article IV **Memberships**

Section 1. Qualifications: Only persons owning real property in River Ranch Subdivision or owning stock in a corporation owning real property in such Plat and Subdivision shall be eligible to become a member.

Where two or more persons are the joint owners of real property in River Ranch Subdivision, one, and only one, shall become a member. Where two or more persons are stockholders in a corporation owning real property in such Plat and Subdivision, one, and only one, shall become a member.

Only members shall be entitled to vote.

Whenever a member shall cease to own real property in River Ranch Subdivision, or shall cease to own stock in a corporation that owns real property in such Plat and Subdivision, such member shall automatically be dropped from the membership roll of the Association.

Section 2. Members: A member shall have no vested right, interest, or privilege of, in or to the assets, functions, affairs, or franchises of the Corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing.

Section 3. Memberships Not Transferable: Each member shall be entitled to a certificate or card of membership certifying to his membership, which shall be signed by the President, or Vice President, and by the Secretary-Treasurer of the Association. Membership certificates shall be issued in consecutive order in a certificate book and shall be numbered and registered in the number and order in which they are issued. Upon the stub of each certificate shall be entered the name of the person holding such certificate and the date of issuance. Each certificate shall be valid only when held by and registered in the name of a member of the Association, and such certificate shall be subject to the Bylaws then made and which may thereafter be made, and such

Bylaws shall be considered as and shall be an essential part of the contract between the Association and the member holding such certificate. No membership or certificate of membership may be sold, assigned, or transferred, voluntarily or by will or by the operation of the law.

Section 4. Termination of Membership: Whenever any member shall cease to have all of the qualifications necessary for admission to membership in the Association, then such membership shall be terminated.

Article V
Loss of Property

Section 1. The Board of Governors shall not be liable or responsible for the destruction or the loss of or damage to the property of any member or the guest of any member, or visitor, or other person.

Article VI
Initiation Fee, Annual Dues and Maintenance Charges

Section 1. The Board of Governors of River Ranch Homeowners' Association, Inc., or a duly appointed committee thereof, shall have the right and power to subject the property situated in River Ranch Subdivision to an annual maintenance charge, annual dues and initiation fee.

Section 1a. Initiation Fee: Every member shall be required to pay an initiation fee, in the amount of which shall be determined by the Board of Governors for each membership, and may be changed from year to year by the Board of Governors or by the members.

Section 1b. Annual Dues: Every member shall be required to pay annual dues, the amount of which shall be determined by the Board of Governors and may be changed from year to year by the Board of Governors or by the members.

Section 1c. Maintenance Charges: Every member shall be required to pay annual maintenance charges, the amount of which shall be determined by the Board of Governors and may be changed from year to year by the Board of Governors or by the members. Such payments shall be kept in a Maintenance Fund and used by the association as stated in Section 2. A Maintenance Reserve Fund shall also be established to save for repairs or replacement costs of items of common property which will normally require replacement, in whole or in part, in more than three and less than 30 years. The Board of Governors shall determine how much of the annual maintenance charges should be set aside in reserves.

Section 1d. The amount of the assessments for the annual dues and maintenance charges of the association shall be mailed to each member at the beginning of the year and shall be paid to the association by the member on or before the date of the annual meeting each year.

Section 2. The Maintenance Fund may be used:

For lighting, improving, and maintaining the streets and dedicated right of way areas maintained for the general use of the owners and occupants of land included in such Subdivision;

For operating and maintaining any storm-water drains now or hereafter constructed in such Subdivision that are not or will not be under the direct supervision of the State or County;

For collecting and disposing of garbage, ashes and rubbish;

For employing policemen and watchmen; and

For doing any other thing necessary or desirable, in the opinion of the Board of Governors or its duly appointed committee thereof, to keep the property neat and in good order, and to eliminate fire hazards, or which in the opinion of the Board of Governors may be of general benefit to the owners or occupants of the land included in such Subdivision.

Section 3. River Ranch Homeowners' Association, Inc., shall have a lien on all the lots in River Ranch Subdivision to secure the payment of maintenance charges, annual dues and initiation fees due and to become due, and the record owners of such lots shall be personally liable for all charges. The charges will be delinquent when not paid within 30 days after they become due. In the event that an owner acquires title to property in the Subdivision after September 1 of any year, then such owner shall be given a pro rata credit for the annual maintenance charge and dues from September 1 to the date on which owner acquires title. The initiation fee shall not be prorated.

The annual charges may be adjusted or reduced from year to year by River Ranch Homeowners' Association, Inc., as the needs of the property in its judgment may require.

Upon demand, the River Ranch Homeowners' Association, Inc., shall furnish to any owner or mortgages or person interested a certificate showing the unpaid maintenance charges against any lots or lots.

River Ranch Homeowners' Association, Inc., may, in its discretion, subordinate in writing, for limited periods of time, the liens of the Association against any lots or lots for the benefit or better security of the mortgagee.

Article VII

Notice

Section 1. Notice: Whenever, according to these Bylaws, a notice shall be required to be given to any member or Governor, it shall not be construed to mean personal notice, but such notice may be given by email or in writing by depositing the same in a post office in a postpaid sealed wrapper, addressed to such member or Governor at his address as the same appears on the books of the Corporation, and the time when such notice is mailed shall be deemed the time of the giving of such notice.

Section 2. Waiver of Notice: Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

Article VIII

Corporate Seal

Section 1. Corporate Seal: The corporate seal shall have engraved thereon the following: "River Ranch Homeowners' Association, Inc., -- Corporate Seal-- Oregon." It shall remain in the custody of the Secretary-Treasurer and shall be by him affixed to all certificates of membership of the Corporation and to all instruments in execution. An impression thereof is directed to be affixed by these Bylaws.

Article IX

Fiscal Year

Section 1. The fiscal year of the Corporation shall begin on the 1st day of January and terminate on the 31st day of December each year.

Approved this _____ day of _____, 2009

A. Joan Daniels, RRHOA President

Cynthia Corl, RRHOA Vice President

Marilyn Putman, RRHOA Secretary-Treasurer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2009

Notary Public for Oregon
My Commission Expires: _____