

*AMENDED BYLAWS OF SUNSET VIEW ESTATES
HOMEOWNER'S ASSOCIATION, INC.*

These Bylaws are a replacement of the bylaws recorded as document 98-47119 on October 21, 1998 in the records of Deschutes County, Oregon.

ARTICLE 1. NAME, MEMBERSHIP AND DEFINITIONS

Section 1. NAME. The name of the Association shall be the Sunset View Estates Homeowner's Association, Inc.

Section 2. MEMBERSHIP. The Association shall have only one class of membership, and is fully set forth in the Declaration of Covenants, Conditions and Restrictions.

Section 3. DEFINITIONS. The words used in these Bylaws shall have the same meaning as set forth in said Declaration of Covenants, Conditions and Restrictions.

ARTICLE 2. ASSOCIATION MEETINGS, QUORUM, VOTING, PROXIES

Section 1. PLACE OF MEETINGS. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors either in Sunset View Estates or as convenient thereto as possible and practical.

Section 2. ANNUAL MEETINGS. Annual meetings of the Homeowner's Association will be held during the month of September at a date, time and location as decided by the Board of Directors.

Section 3. SPECIAL MEETINGS. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the board of Directors or upon a petition signed by at least twenty-five percent (25%) of the total votes of the Association. The notice of any special meeting shall set the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. NOTICE OF MEETINGS. It shall be the duty of the Secretary to mail or to cause to be delivered to the owner of record of each Residential Lot a notice of each annual or special meeting of the Association stating the purpose of the special meeting, as well as the time and place where it is to be held. If an owner wishes notice to be given at an address other than his or her residential lot, he or she shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provide in this section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than thirty (30) days before a meeting.

Section 5. WANNER OF NOTICE. Waiver of notice of any meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy shall be deemed

waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 6. ADJOURNMENT OF MEETINGS. If any meetings of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to member in the manner prescribed for regular meetings.

The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, provided that any action taken shall be approved by at least a majority of the members required to constitute a quorum.

Section 7. VOTING. The voting rights of the members shall be as set forth in the Declaration and such voting rights provisions are specifically incorporated herein.

Section 8. PROXIES. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her residential lot or upon receipt of notice by the Secretary of the board of the death or judicially declared incompetence of a member or upon expiration of eleven (11) months from the date of the proxy. A proxy or written ballot may provide an opportunity for specific approval or disapproval with respect to each proposal.

Section 9. MAJORITY OF OWNERS. As used in these Bylaws, the term majority shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

Section 10. QUORUM. Except as otherwise provided by Bylaws or in the Declaration, the presence in person or by proxy of one-third (1/3) of the members shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 11. CONDUCT OF MEETINGS. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat.

Section 12. ACTION WITHOUT A MEETING. Any action that may be taken by the vote of members at a regular or special meeting, except the election of Board members, may be taken without a meeting as and to the extent permitted by Oregon law.

ARTICLE 3. BOARD OF DIRECTORS; NUMBER, POWERS, MEETINGS.

Section 1. GOVERNING BODY; COMPOSITION. A Board of Directors shall govern the affairs of the Association. Except as provided in Section 2 of this Article, the Directors shall be members or spouses of such members, provided however, no person and his or her spouse may serve on the Board at the same time.

Section 2. NUMBER OF DIRECTORS. The number of Directors in the Association shall not be less than three (3) nor more than five (5), as the Board of Directors may from time to time determine by resolution.

Section 3. NOMINATION OF DIRECTORS. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 4. ELECTION AND TERM OF OFFICE. Members will be elected to the Board of Directors for a three-year term. Cumulative voting shall not be permitted. Board members who are in the middle of their terms do not need to stand for re-election on an annual basis.

- (a) The terms of the members must be staggered so that if possible no more than two will expire in the same year.
- (b) The members of the Board of Directors shall hold office until the Association shall have elected their respective successors.
- (c) The newly elected Director(s) will assume full duties as of October 1 following his or her election.

Section 5. REMOVAL OF DIRECTORS.

- (a) Any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in payment of an assessment for more than twenty (20) days may be removed by a majority vote of the Directors at a meeting, a quorum being present.
- (b) At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority vote of the Owners of Lots and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed by the owner of lots shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.
- (c) In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining members of the Board, and shall serve for the unexpired term of the predecessor.

Section 6. VACANCIES. Vacancies on the Board of Directors caused by any reason, excluding the removal of a Director by vote of the Association, shall be filled by a vote of the majority of the remaining Directors, even though less than a quorum, at any

meeting of the board. Each person so elected shall serve the unexpired portion of the vacated term. If the vacancy occurs near the time of the Annual Meeting, the Board may postpone the vote for the replacement until the time of the Annual Meeting, and allow the membership at that meeting to choose the person to serve the remaining unexpired portion of the vacated term.

Section 7. VOTING PROCEDURE FOR DIRECTORS. Members may vote by person or by proxy for as many candidates as there are opening on the Board in that particular year. Cumulative voting is not permitted. Voting by the Directors shall be by secret written ballot. The persons receiving the largest number of votes shall be elected.

Section 8. ORGANIZATIONAL MEETING. The first meeting of the members of the Board of Directors shall be held within ten (10) days following the annual meeting of the membership at such time and place as shall be fixed by the Board.

Section 9. REGULAR MEETING. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of the meetings shall be posted at a prominent place within the Common Area and shall be communicated to the Directors not less than four (4) days prior to the meeting; provided however, notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to that Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (d) by e-mail. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or e-mail shall be delivered, telephoned, or e-mailed at least seventy-two (72) hours before the time set for the meeting. Notices shall be posted at a prominent place within the common area not less than seventy-two (72) hours prior to the scheduled time of the meeting.

Section 11. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement after the lack of adequate notice.

Section 12. QUORUM OF BOARD OF DIRECTORS. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting

at which a quorum is present shall constitute the decisions of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for the meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. COMPENSATION. No Director shall receive any compensation from the Association for acting as such unless approved by a majority vote of the total vote of the Association at a regular or special meeting of the Association.

Section 14. CONDUCT OF MEETINGS. The President shall preside over all meetings of the board of Directors, and the Secretary shall keep a minute book of the board of Directors, recording therein all resolutions adopted by the Board of directors and a record of all transactions and proceedings occurring at such meetings.

Section 15. OPEN MEETINGS. All meetings of the board shall be open to all members, but members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 16. EXECUTIVE SESSION. The Board may, with approval of a majority of a quorum adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 17. ACTION WITHOUT A FORMAL MEETING. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all the Directors. An explanation of the action taken shall be posted at a prominent place or places within the common area within three (3) days after the written consents of all the Board members have been obtained.

Section 18. POWERS. The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declarations, or these Bylaws, directed to be done and exercised exclusively by the members.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent or Manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power and be responsible for the following, in way of explanation, but not limitation:

- (a) Preparation and adoption of an annual budget in which there shall be established the contribution of each owner to the common expenses;
- (b) Making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment:
(unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in equal quarterly installments, each such installment

- to be due and payable in advance of the first day of the first month for said quarter)
- (c) Providing for the operation, care, upkeep, and maintenance of all the Common Area;
 - (d) Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Common Area and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
 - (e) Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
 - (f) Making and amending rules and regulations;
 - (g) Opening of bank accounts on behalf of the Association and designating the signatories required;
 - (h) Making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other causality;
 - (i) Enforcing by legal means the provisions of the Declarations, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the owners concerning the Association;
 - (G) Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration and paying the premium cost thereof;
 - (k) Paying the cost of all services rendered to the Association or its members and not chargeable to owners;
 - (l) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the owners and mortgagers, their duly authorized agents, accountants, attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the owners. All books and records shall be kept in accordance with generally accepted accounting practices.
 - (m) Make available to any prospective purchases or a residential lot, any owners of a residential lot, any first mortgagee, and the holders, Insurers, and Guarantors of a first mortgage on any residential lot current copies of the Declaration, the Articles of incorporation, the Bylaws, rules and regulations governing the residential lot and all other books, records, and financial statements of the association; and

- (n) Permit utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operations of the properties.

Section 19. MANAGEMENT AGENT.

- (a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services, as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all the powers granted to the Board of Directors by these By-laws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and G) of Section 18 of this Article.
- (b) No management contract may have a term in excess of three (3) years and must permit termination by either party without cause and without termination fee on ninety (90) days or less written notice.

Section 20. ACCOUNTS AND REPORTS. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

- (a) Accrual accounting, as defined by generally accepted accounting principles, shall be employed.
- (b) Accounting and controls should conform with established American Institute of Certified Public Accountants (AICPA) guidelines and principles. Requirements for disbursements shall be as stipulated in Article 4, Section 6 of these Bylaws.
- (c) Cash accounts of the Association shall not be commingled with any other accounts;
- (d) No remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder' fees, service fees, prizes, gifts, or otherwise, anything of value received which shall benefit the Association.
- (e) Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors; and
- (f) Quarterly financial reports shall be prepared for the Association containing:
 - a. An Income Statement reflecting all income and expense activity for the preceding three (3) months on an accrual basis;
 - b. An account Activity Statement reflecting all receipt and disbursement activity for the preceding three (3) months on an accrual basis;
 - c. An Account Status Report reflecting the status of all accounts in an actual versus approved budget format with a budget report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent (10%) of a major budget

- category (as distinct from a specific line item in an expanded charge of accounts);
- d. A Balance Sheet as of the last day of the Association's fiscal year and an operating statement of said fiscal year, which shall be distributed in a time period not to exceed ninety (90) days after the close of a fiscal year; and
 - e. A Delinquency Report listing all owners who have been delinquent during the preceding three (3) month period in paying the quarterly installments of assessments and who remain delinquent at the time of the report and describing the status of any action to collect such installments which remain delinquent. A quarterly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of each quarter.

Section 21. BORROWING. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of the Common Area and facilities without the approval of the members of the Association; provided, however, the Board shall obtain membership approval in the same manner provided in Article 6, Section 4 of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

Section 22. RIGHTS OF THE ASSOCIATION. With respect to the Common Areas or other Association responsibilities owned, and in accordance with the Articles of Incorporation or By-laws of the Association, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operation or other agreements with trusts, condominiums, cooperative, or neighborhood and other home owners or residents association, both within and without the properties. Such agreement shall require the consent of two-thirds (2/3) of the total votes of all Directors of the Association.

Section 23. VIOLATION PROCEDURE. It shall be the duty of the Board to determine violations, send a letter to those in violation and file suit for enforcement.

Section 24. PROHIBITED ACTS. The Board of Directors shall not take any of the following actions except with the written consent of a majority of the total votes of the Association,

- (a) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;
- (b) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year,
- (c) Paying compensation to members of the Board or to the officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a member or officer

- to be reimbursed for expense incurred in carrying on the business of the Association;
- (d) Levy special assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;
 - (e) Fill a vacancy on the board created by the removal of a Director; or
 - (f) Enter into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:
 - 1. A management contract, the terms of which have been approved by the Federal Housing Administration or Veterans' Administration;
 - n. A contract with a public utility company, if the rates charged for the materials or services are regulated by the Public Utilities commission; provided, however, the terms of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;
 - m. Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the policy permits short rate cancellation by the insured; and
 - JV. Lease agreements for a duration not to exceed five (5) years.

ARTICLE 4. OFFICERS

Section 1. OFFICERS. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall be deemed desirable, such officers to have the authority to perform the duties prescribed from time to time by the Board of Directors. The same person, except the offices of President, Secretary, and Treasurer, may hold any two or more offices. The President and Treasurer shall be elected from among the members of the board of Directors.

Section 2. ELECTION, TERM OF OFFICE AND VACANCIES. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members, as herein set forth in Article 3. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. REMOVAL. The Board of Directors may remove any officer whenever in its judgment the best interests of the Association will be served thereby.

Section 4. POWERS AND DUTIES. The officers of the Association shall each have such powers and duties as generally pertain to their respective officers, as well as such powers and duties as may from time to time be specifically conferred or imposed by

the Board of Directors. The President shall be the Chief Executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. RESIGNATION. Any officer may resign at any time by giving written notice to the Board of Directors, 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.

Section 6. AGREEMENTS, CONTRACTS, DEEDS, LEASES, CHECKS. All agreements, contracts, deeds, leases, checks, and other instruments of the Association over \$1000 shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors. Any routine checks under \$1000 for items such as utilities, landscape care, and snowplowing can be approved directly one director who is authorized to sign on the account. Any checks payable to a Director must be authorized by someone other than the Payee.

ARTICLE 5. COMMITTEES

Section 1. APPOINTMENT OF COMMITTEES. The Board shall be authorized to appoint committees as needed. At the time of formation, the Board shall identify the purpose, authorizations, and restrictions for the additional committee. All committees will report directly to the Board.

Section 2. CHAIRMEN OF COMMITTEES. The Chairmen of the various committees will be someone who is actually a member of that committee. It is not necessary for the Chairman to be a Board member, however the Chairman will report all committee actions to the Board, and answer any questions the Board may have concerning the functions of that committee. The Chairman will not be a voting member of the Board unless he or she has been elected for that position as described in Article 3.

ARTICLE 6. MISCELLANEOUS

Section 1. FISCAL YEAR. The fiscal year of the Association shall be from October 1 to September 30 of the following calendar year. The four quarters of the fiscal year shall correspond to the four quarters of a calendar year, with the first quarter of the Homeowner's fiscal year equaling the fourth quarter of the calendar year.

Section 2. PARLIAMENTARY RULES. Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Oregon law, the Articles of Incorporation, the Declaration or these Bylaws.

Section 3. CONFLICTS. If there are conflicts or inconsistencies between the provisions of Oregon law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Oregon law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 4. BOOKS AND RECORDS.

- (a) INSPECTION BY MEMBERS. The membership register, books of accounts and minutes of meetings of all members, the Board, and committees shall be made available for inspection and copying by any member of the Association or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a member at any place within Sunset View Estates as the Board shall prescribe.
- (b) RULES FOR INSPECTION. The Board shall establish reasonable rules with respect to:
 - (i) Notice to be given to the custodian of the records by the member desiring to make the inspection;
 - (ii) Hours and days of the week when such an inspection may be made; and
 - (iii) Payment of the cost of reproducing copies of documents requested by a member.
- (c) INSPECTION BY DIRECTORS. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

Section 5. NOTICES. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by first class mail.

- (a) If to a member, at the address which the members has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Residential unit of the owner; or
- (b) If to the Association, the Board of Directors, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any; or at our Homeowner's Association address (60560 Sunset View Drive, Bend, OR 97702).

Section 6. AMENDMENT. These Bylaws may be amended only by the affirmative vote (in person or by proxy) or written consent of members representing a majority of the total votes of the Association.

Section 7. AUDIT. An audit of the accounts of the Association shall be made annually in the manner as the Board of Directors may decide, provided, however, after having received the Board's audit at the annual meeting, the owners, by a majority vote, may require that the accounts of the Association be audited as a common expense by a public accountant. Upon written request of any institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within ninety (90) days after the end of each fiscal year.

Section 8. LEGAL FEES. In the event any Owner, the Board, or the Association engages an attorney to enforce these Bylaws or any of its terms, whether or not a suit or action is commenced, it is agreed that the prevailing party shall be entitled to recover all

attorney fees, allowable costs and disbursements and other charges to be paid by the losing party to the prevailing party and to be fixed by the trial and appellate courts.

I, the undersigned, being the Secretary of the Sunset View Estates Homeowner's Association Inc., do hereby certify;

That at a meeting of the general homeowners on the September 28, 2007 with a duly declared quorum, that the homeowner in person and by proxy, voted to ratify these Bylaws as they are written herein;

That the foregoing Bylaws are hereby adopted as the Bylaws of said Corporation.

In Witness whereof, I have hereunto subscribed by name 4-10-08.

(date)



STELLA BLADHOLM

Secretary of Sunset View Estates

Homeowner's Association Board of Directors