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**FILED**  
**OCT 08 1998**  
**OREGON**  
**SECRETARY OF STATE**

**ARTICLES OF INCORPORATION OF**  
**EDGEFIELD HOMEOWNER'S ASSOCIATION, INC.**

In compliance with the requirements of Oregon Revised Statutes, Chapter 65 (the "Act"), the undersigned incorporator, a natural person over 18 years of age, does hereby form a corporation not for profit and does hereby certify:

**ARTICLE I**

**NAME**

The name of the corporation is The Edgefield Homeowner's Association, Inc. (the "Association").

**ARTICLE II**

**NATURE OF CORPORATION**

The Association is a mutual benefit corporation.

**ARTICLE III**

**REGISTERED OFFICE**

The initial registered office of the Association is located at 163 SE 2<sup>nd</sup> Street, Hillsboro, Oregon 97123.

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**ARTICLE IV****REGISTERED AGENT**

John D. Peterson, whose address is 163 SE 2<sup>nd</sup> Street, Hillsboro, Oregon 97123, is appointed the initial registered agent of the Association. The registered office of the Association is located at the address given in the preceding sentence. The alternate corporate mailing address required by Section 65.047 (1)(e) of the Act is P.O. Box 543, Hillsboro, Oregon 97123.

**ARTICLE V****PURPOSE AND POWERS OF THE ASSOCIATION**

The Association does not contemplate pecuniary gain or profit to the members thereof and shall exist exclusively for non-profit purposes. No part of the net earnings of the Association shall inure to the benefit of any private member or members or any individual.

The association shall have, exercise and perform all of the following powers, duties, and obligations:

- A. **Declaration.** The powers, duties and obligations granted to the Association by that certain Declaration of Covenants, Conditions and Restrictions for Edgfield which has been recorded at document number 96033287 on April 16, 1996; thereafter amended and recorded October 30, 1996, at document number 96097302; and further amended and recorded April 10, 1998, at document number 98036296.1; and further amended April 10,

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1998, and recorded as document number 98036297.1 of the records of Washington County, Oregon and as the same may be amended from time to time as provided in the Declaration and by the Bylaws.

B. **Statutory Powers.** The powers, duties, and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.

C. **General.** Any additional or different powers, duties and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Declaration or otherwise promoting the general benefit of the Owners within the Property. The powers and obligations of the Association may from time to time be amended, repealed, enlarged or restricted by changes in the Declaration made in accordance with the provisions therein, accompanied by changes in these Articles of Incorporation or the Bylaws made in accordance with, and to the extent required under, such instruments and with the nonprofit corporation laws of the State of Oregon.

**ARTICLE VI**

**MEMBERSHIP**

The Association shall have members. Every Owner of one or more Lots (as those terms are defined in the Declaration) shall, during the entire period of such Owner's ownership of one or more Lots, be a member of the Association. Such membership shall commence, exist, and continue simply by virtue of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

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**ARTICLE VII  
VOTING RIGHTS**

Voting rights within the Association shall be allocated as follows:

- A. Lots. Lots shall be allocated one vote per Lot.
- B. Classes of Voting Membership. The Association shall have two classes of voting membership:

**Class A.** Class A members shall be all Owners with the exception of Declarant (as that term is defined in the Declaration) (except that beginning on the date on which the Class B membership is converted to Class A membership, and thereafter, Class A members shall be all owners, including Declarant). Class A members shall be entitled to voting rights for each lot owned, computed in accordance with Article VII, Section A. When more than one person holds an interest in any Lot, all such persons shall be members, but all such persons shall collectively have only one vote. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more votes be cast with respect to any Lot than as set forth in Article VII, Section A.

**Class B.** The Class B member shall be Declarant and shall be entitled to three times the voting rights computed under Article VII, Section A for each Lot owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

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- a. The date of the turnover meeting described in Section 7.3 of the Declaration (the "Turnover Meeting"); or
- b. At such earlier time as Declarant may elect in writing to terminate Class B membership.

**ARTICLE VIII**  
**BOARD OF DIRECTORS**

The affairs of the Association shall be governed by the Board, which shall consist of five persons. Until the Turnover Meeting has been held, the Board may consist of three directors of the Association. Directors serving until the Turnover Meeting may be removed and replaced by Declarant or Declarant's designee pursuant to the Bylaws. At the Turnover Meeting, all three of the then-serving Directors shall resign and five (5) Directors shall be elected in accordance with the Bylaws to serve until the first annual meeting of the Association. At the expiration of the initial term of office of each Director elected at the Turnover Meeting, such Director or his successor shall be elected to serve for the term indicated in the Bylaws. All Directors shall hold office for the term indicated in the Bylaws and until their successors have been qualified and elected. There shall be no limit on the number of successive terms a Director may serve on the Board of Directors, if elected as herein provided.

The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors, each of whom has consented to serve in such capacity are:

<u>NAME</u>	<u>ADDRESS</u>
Susan Rae	22651 N.W. West Union Road Hillsboro, Oregon 97124

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Corey Egner

3332 N.E. 12th  
Hillsboro, Oregon 97124

Sheryl Lynn Schultheis

3167 N.E. 13<sup>th</sup> Ave.  
Hillsboro, Oregon 97124

**ARTICLE IX**

**AMENDMENT OF BYLAWS**

Except as expressly provided in the Declaration, the Bylaws may be amended or repealed and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to amend or repeal and adopt new Bylaws at such meeting accompanied by a copy or summary of the amendment; provided, however, that the Board of Directors shall have no authority to amend or repeal any provision of the Bylaws relating to the election, qualifications, powers, duties or terms of Directors without the approval of the Owners given at a special meeting called for such purpose. No special declarant right (as defined in ORS 94.550 (12)) contained in the Bylaws may be amended without the consent of Declarant and Declarant may unilaterally make the amendments to the Bylaws permitted by Section 10.1 of the Declaration and ORS 94.585.

**ARTICLE X**

**DISSOLUTION**

Subject to any contrary provision of the Act and of Chapter 94, Oregon Revised Statutes, as amended, the Association may be dissolved with the assent given in writing and signed by Owners holding not less than 75 percent of the voting power within the Association, together with the vote or written consent of the Class B member, if such

membership has not been terminated as provided in the Declaration. Upon dissolution of the Association, it shall automatically be succeeded by an unincorporated association of the same name. All of the assets, property, powers, and obligations of the Association existing prior to dissolution shall thereupon automatically vest in the successor unincorporated association.

#### ARTICLE XI

##### DURATION

The corporation shall exist perpetually.

#### ARTICLE XII

##### LIABILITY OF DIRECTORS

To the fullest extent authorized by law the personal liability of each Director to the Association or its Owners for monetary damages for conduct as a Director shall be eliminated.

#### ARTICLE XIII

##### INDEMNIFICATION

To the fullest extent authorized by law, the Board, acting on behalf of the Association, may indemnify or advance costs of defense, or commit the Association to indemnify or advance costs of defense in the future, to any person who is made or threatened to be made a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the Association), by reason of the fact that the person is or was a Director, officer, employee, or agent, of the Association, or serves or served at the request of the Association as a director, officer, partner, trustee, agent or employee of another

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corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. In exercising the authority granted by this Article XIII, the Board may choose, on the Association's behalf, to utilize the procedures provided in the Act, prescribe other approval processes, or eliminate any procedures for specific findings or further approval in the individual matter. This Article XIII shall not be deemed exclusive of any other provision for indemnification of Directors, officers, fiduciaries, employees, or agents that may be included in any statutes, Bylaw, resolution of Owners or Directors, agreement, or otherwise, either as to action in any official capacity or action in another capacity while holding office.

**ARTICLE XIV  
AMENDMENTS**

These Articles, or any provision thereof, may be amended or repealed by the vote or written consent of Owners holding not less than 75% of the voting power within the Association, together with the vote or written consent of the Class B member, if such membership has not been terminated as provided in the Declaration.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Oregon, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 5 day of October, 1998, and declare that the foregoing Articles of Incorporation, to the best of my knowledge and belief, are true, correct and complete.

  
Name: Susan Rac  
Address: 22651 NW West Union Rd.  
Hillsboro, Oregon 97124



THE REQUIRED FEE AND ANY CORRECTION IF NECESSARY MUST BE RECEIVED BY  
JANUARY 19, 2000 WITH THE FEE OF \$10.00.

1999 ANNUAL REPORT

HOMEOWNERS ASSOCIATION, INC

Registry Number:

1) Tax ID Number 93-1275409

2) Tax ID Number (See Enclosed List) 8990

3) Principal Place of Business (See Enclosed List)

163 SE 2ND STREET  
HILLSBORO OR 97123-0000

4) Registered Agent

JOHN D PETERSON

5) Registered Office (See Enclosed List)

163 SE 2ND STREET  
PO BOX 543  
HILLSBORO OR 97123

6) If Registered Agent has changed, the new Agent has consented to the appointment.

Please complete the back side of this form if required.

If mailing address has changed, please indicate the new mailing address.

330 NE Lincoln - Suite 200

P.O. Box 543

Humboldt OR 97123

CERS AND ADDRESSES

T SECRETARY

eg Weisber

1 NE 11th Court

Humboldt OR 97124

Dweryl Schulties

3107 NE 13th Ave

Humboldt OR 97121

This Corporation Have Members? Yes

Signature required only when changes are made.

Signature of Officer

Daytime Telephone Number

Date

Information has not changed return only the coupon with your remittance and return portion for your records.

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