

**AMENDED AND RESTATED BYLAWS OF
HOMES ASSOCIATION OF CEDAR HILLS**

ARTICLE I

Corporate Powers

The corporate powers of this corporation shall be vested in a board of seven directors, and four directors shall constitute a quorum for the transaction of business.

ARTICLE II

Seal

The corporate seal of this corporation is that seal, an impression of which appears on the margin hereof.

ARTICLE III

Office

The corporation shall maintain its principal office on the property platted as Cedar Hills in Washington County, Oregon, but may have offices and transact business at such other places as the Board of Directors may from time to time appoint.

ARTICLE IV

Board of Directors

Section 1. Election. The number of Directors of this corporation shall be seven and they shall be elected at the annual meeting of the members, and their term of office shall be for two years and until their successors have been elected and qualified. Thus, except as provided below, after being elected, a member of the board must stand for reelection every two years, but that person's term as a member of the board may be extended a year if an insufficient number of persons are elected at an annual meeting to fill all of the then open positions on the board. Their term of office shall begin immediately upon election. To be elected at an annual meeting, a member must receive a majority vote of the members of this corporation present and voting at said annual meeting. Directors shall be nominated only by petition. Each nominating petition shall be signed by ten members of the Association and filed with the Secretary of the Association twenty or more days before the annual meeting.

Section 1.1. At each annual meeting, several positions on the board may be open. The open positions on the board will be filled by those candidates who receive the most votes, so long as they also receive the necessary number of votes to be elected, as set forth in Section 1 above. (So, for example, if 10 people are at the annual meeting, three positions are open and four people are running, and one person obtains 10 votes, two tie with 7 votes, and one person has 6 votes, the person with 10 votes, and the two people with

7 votes, will fill the three open positions, even though 6 votes are necessary to be elected.) If the voting results in a tie between two people for the last remaining open position on the board, the last remaining position will be determined by a single coin toss conducted by the person who received the most votes at that annual meeting, and if that person is not present, then by any officer of the Association who is present. If the tie is between more than two persons, the tie will be broken by the drawing of "straws." The drawing of "straws," or their equivalent, shall be also conducted by the persons referenced in the preceding sentence.

Section 1.2. In the event that the members of this corporation present and voting at said annual meeting fail at an annual meeting to cast a sufficient number of votes to elect someone to fill each of the open positions on the board, the incumbent(s) who receive(s) the most votes at the annual meeting will continue in office until the following election. He or she, or they, will continue to serve because his or her, or their successor will not have been elected. That person (or those persons) will continue to serve even if another candidate who is not an incumbent receives more votes. The incumbents receiving the least number of votes will be replaced by the elected members because their successors will have been elected by a majority vote at an annual meeting. In the event of a tie between any incumbents for the greatest number of votes, the incumbent(s) to remain will be determined by a coin toss or by drawing straws, as provided in Section 1.1. above.

Section 1.3. In the event that one or more of the open board positions to be filled by a vote at an annual meeting is for a one-year term due to a board member not being replaced in the prior election, the elected candidate(s) with the fewest votes will receive the shorter one-year term(s), in increasing order of vote tally. In the event of a tie for the least number of votes, the candidate(s) receiving the one-year term(s) will be determined by a coin toss or by drawing straws, as provided in Section 1.1. above.

Section 2. Vacancies. Any vacancy or vacancies in the Board of Directors resulting from death, incapacity, resignation, removal, or otherwise shall be filled by appointment of a replacement director by the remaining directors then in office even though less than a quorum for the unexpired term. Notwithstanding the foregoing, a vacancy on the board does not result if an insufficient number of votes are cast at an annual meeting to elect a sufficient number of members to fill all of the open positions on the board voted on at each annual meeting.

Section 3. Qualifications.

Section 3.1. In addition to the requirements in Sections 3.2 to 3.7, each director of this corporation must be either a member of this corporation or an authorized representative of an incorporated member of this corporation.

Section 3.2. Multiple members with an ownership interest in the same Lot may not serve as directors simultaneously unless one of the multiple members has an ownership interest in another Lot.

Section 3.3. A member is not eligible to seek election if, on the date the member could last be nominated for the Board, that member or the member's Lot has past due assessments, fines, or other charges owing to the Corporation or that member (or a resident in that member's Lot) is a party in an adverse proceeding against the Corporation in arbitration, court, or any other forum.

Section 3.4. Subject to the exception below, no member who has been convicted of any felony in any jurisdiction is eligible to serve on the Board of Directors unless the member's civil rights have been restored for at least five years before the last date the member could last be nominated for the Board. In its reasonable discretion, the Board may grant an exception to this Section 3.4 if good cause exists.

Section 3.5 A member may serve on the Board only if that member (a) abides by the Association's Code of Ethics Conduct Resolution; (b) signs the Code of Ethics Director Certification and Agreement; and (c) submits all correct and complete information that may be required by federal, state, or local governmental authorities within the time provided by law.

Section 3.6 Upon request by the Board, a member described in this subsection shall provide the Board with documentary evidence that the member is qualified to serve as a Director.

Section 3.7 If a member is serving on the Board and that member or member's Lot fails to satisfy the qualifications of this Section 3, the member will have 30 days to cure or must resign. Failure to resign will automatically result in the Board's removal of the member.

Section 4. Powers. Without prejudice to or limitation of the provisions of Article I of these Bylaws, the Board of Directors shall have the following powers:

Section 4.1 To select and remove all the other officers, agents, and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the Bylaws, fix their compensation, and require from them security for faithful service.

Section 4.2 To conduct, manage, and control the affairs and business of this corporation, and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation, or the Bylaws, as they may deem best.

Section 4.3 To determine, levy and assess charges and assessments and to fix the rate per square foot of such annual charges or assessments upon and against property in Cedar Hills as provided in Article II of the Articles of Incorporation of this corporation.

Section 4.4 To exercise for this corporation all power and authority vested in or delegated to this corporation by any Declaration of Restrictions pertaining to or affecting said property in Cedar Hills.

Section 5. Compensation. The Directors of this corporation shall receive no compensation for their services as such.

Section 6. Duties. It shall be the duty of the Directors of this corporation:

Section 6.1 To supervise all officers, agents and employees and see that their duties are properly performed.

Section 6.2 To cause certificates of membership to be issued to the members of this corporation, which certificates shall be signed by the Secretary and have the seal of this corporation affixed.

Section 7. Place of Meeting. Regular meetings of the Board of Directors shall be held at any place within the state that has been designated from time to time by resolution of the board or by written consent of all board members.

Section 8. Organization Meeting. Immediately following each annual meeting of members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 9. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the President, or if he is absent or unable or refuses to act, by the Vice President or by any two Directors. Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by mail or other form of written communication at his last known address at least 48 hours prior to the time of holding of the meeting. Special meetings may be held, without notice, upon the written consent of all of the directors.

Section 10. Quorum. The presence in person of a majority of the Directors at any meeting constitutes a quorum for the transaction of business.

ARTICLE V

Officers

The officers of this corporation shall be elected by the Board of Directors and shall consist of a President, Vice President, Secretary, and Treasurer, elected from among the Directors, and such other officers as the Board of Directors may appoint, who need not be members of the Board of Directors. The powers and duties of the Treasurer may be exercised and performed by the President, Vice President, or Secretary if the directors shall so determine.

ARTICLE VI

President

The President shall be the chief executive officer of this corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and officers of the corporation. The President shall preside at all meetings of the members and at all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of president of a corporation, plus all other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE VII

Vice President

In the case of the absence of the President or his inability to act, the Vice President shall act as President.

ARTICLE VIII

Secretary

The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep and affix the seal of this corporation, shall give all notices required by these Bylaws, and shall discharge such other duties as may be imposed by any declaration of restrictions pertaining to or affecting property in Cedar Hills. The Secretary shall discharge such other duties as pertain to the office of Secretary, or as prescribed by the Board of Directors.

ARTICLE IX

Treasurer

The Treasurer shall receive and safely keep all funds of this corporation and deposit the same in such bank or banks as may be designated by the Board of Directors. Such funds shall be disbursed in the manner prescribed by the Board of Directors.

ARTICLE X

Meetings of Members

Section 1. Place of Meetings. All meetings of members of the association shall be held at the principal office of the corporation or at such other place in Cedar Hills, Washington County, Oregon, as may be designated by the Board of Directors.

Section 2. Annual Meetings. The annual meeting of the members of the Association shall be held on the second Tuesday of May of each year if not a legal holiday, and if a legal holiday, then on the next succeeding Tuesday that is not a legal holiday. If the

Board of Directors determines that for any calendar year, it is not reasonably possible or it is not in the best interests of the Association to have the annual meeting on the second Tuesday of May of that year, the Board may designate a different subsequent date in May of that year as the date for the annual meeting for that year.

Notwithstanding the foregoing sentence, if the Board determines that for any calendar year it is not reasonably possible or that it is not in the best interests of the Association to have the annual meeting on the second Tuesday of May of that year, and if the Board also determines that an emergency or other exigent circumstances exist such that it is not in the best interests of the Association or the majority of its members to have the annual meeting during the month of May of that year, the Board may postpone the annual meeting and designate a different date in that year, no later than September 30, for the date of the annual meeting for that year. The term of any person elected to the Board at a meeting held later than the second Tuesday of May of any particular calendar year shall be reduced by the number of days between the date of the annual meeting that year and the second Tuesday of May of that year. Written notice of each annual meeting shall be given to each member entitled to vote thereat, either personally or by mail or other means of written communication, addressed to such member at his address appearing on the books of this corporation or given by him to this corporation for the purpose of notice. All such notices shall be mailed or dispatched by the Secretary not less than ten days before such annual meeting and shall specify the place, the day, and the hour of such meeting. Such notice shall also state the general nature of the business or proposal to be considered or acted upon at such meeting. If the Board determines that for any calendar year it is not reasonably possible or it is not in the best interests of the Association for members to personally attend the annual meeting for that year, the members may participate by remote communication subject to guidelines and procedures adopted by the Board to insure, among other things, that only members participate at the meeting and that votes may be cast.

Section 3. Special Meetings. Special meetings of the members of the association, for any purpose or purposes whatsoever, may be called at any time by the President or by the Vice President or by the Board of Directors, or by one or more members holding not less than one-fifth of the voting power of this corporation.

Section 4. Quorum. The presence in person or by proxy of members entitled to exercise twenty-five percent of the voting power of this corporation at any meeting shall constitute a quorum for the transaction of business, except that the presence in person or by proxy of members entitled to exercise fifteen percent of the voting power of this corporation shall constitute a quorum for the transaction of any business at any meeting which is not called for the purpose of amending the Articles of Incorporation or Bylaws of this corporation or to change, modify or extinguish any Declaration of Restrictions. 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.

Section 5. Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or any agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of this corporation.

ARTICLE XI

Membership

Qualifications for membership in this corporation are set forth in the Articles of Incorporation.

ARTICLE XII

Transfer of Membership

Membership in this corporation shall be transferred or divided by the transfer of record of the ownership of all or part of the property to which the membership is appurtenant. Upon satisfactory evidence of such transfer, the membership of the transferor shall be marked cancelled on the books of this corporation as to the property so transferred without requiring a surrender or cancellation of the transferor's certificate of membership, and a new certificate of membership may thereupon be issued to such transferee.

ARTICLE XIII

Amendments

New Bylaws may be adopted, or these Bylaws may be amended or repealed by the vote of the members entitled to exercise a majority of the voting power of this corporation or by the written assent of such members, except as otherwise provided by law or by the Articles of Incorporation. Subject to the right of the members to adopt, amend, or repeal Bylaws, Bylaws other than a Bylaw or amendment thereof changing the authorized number of directors may be adopted, amended, or repealed by the Board of Directors.