

**ARTICLES OF INCORPORATION
OF
THE FOREST RIDGE NEIGHBORHOOD ASSOCIATION**

Pursuant to the Oregon Nonprofit Corporation Act (the "Act"), the undersigned incorporator adopts the following Articles of Incorporation:

**ARTICLE 1
Name and Duration of Corporation**

1.1 The name of the corporation is **FOREST RIDGE NEIGHBORHOOD ASSOCIATION** (the "Neighborhood Association"). The period of duration is perpetual.

**ARTICLE 2
Purposes**

2.1 This corporation is a mutual benefit, membership corporation. The purposes for which the Neighborhood Association is organized are to provide for the management, maintenance, protection and preservation of Forest Ridge, a Neighborhood within the Ridge at Eagle Crest, established as such pursuant to Article 3.1 and Exhibit A of the Amended and Restated Declaration of Protective Covenants, Conditions, Restrictions and Easements for the Ridge at Eagle Crest, recorded January 28, 2005, in the records of Deschutes County, Oregon, as Document No. 2005-05688 (the "Master Declaration"). Subject to the Master Declaration, the Neighborhood Association may promote the health, safety, welfare and other general benefit of its members, not for profit, but for the mutual advantages to be derived therefrom as contemplated in Section 6.12 of the Declaration Annexing Forest Ridge Phase 1 to the Ridge at Eagle Crest, dated October 2, 2000 and recorded October 2, 2000 as Document No. 2000-39953 ("Phase 1 Declaration"), Declaration Annexing Forest Ridge Phase 1A to the Ridge at Eagle Crest dated June 6, 2001 and recorded June 11, 2001 as Document No. 2001-27718 ("Phase 1A Declaration"), and Section 6.13 of the Amended and Restated Declaration Annexing Forest Ridge Phase 2 to the Ridge at Eagle Crest dated October 2, 2001 and recorded October 2, 2001 as Document No. 2001-48472 ("Phase 2 Declaration"), all in the Records of Deschutes County, Oregon (collectively, the "Neighborhood Declarations"). The property annexed to the Ridge at Eagle Crest pursuant to the Neighborhood Declarations is collectively referred to as "Forest Ridge." Except as otherwise provided in these Articles, the definitions contained or adopted by reference in the Neighborhood Declarations are hereby adopted by reference.

**ARTICLE 3
Powers and Duties**

3.1 **General Powers and Obligations.** The Neighborhood Association shall have, exercise and perform all of the following powers, duties and obligations:

a. The powers, duties and obligations granted to the Neighborhood Association by Section 6.12 of the Phase 1 Declaration, Section 6.12 of Phase 1A Declaration, and Section 6.13 Phase 2 Declaration, or as may be delegated to the Neighborhood Association by the Ridge at Eagle Crest Owners Association (“RECOA”).

b. The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.

c. The powers, duties and obligations of a homeowner’s association pursuant to the Oregon Planned Community Act.

d. Any additional or different powers, duties and obligations necessary or desirable for the purpose of carrying out the functions of the Neighborhood Association pursuant to the Declaration or otherwise promoting the general benefit of the Owners within the Property.

3.2 **Powers Delegated to the Neighborhood Association by RECOA.** Subject to the terms of the Master Declaration, RECOA delegates the following duties, powers and responsibilities of RECOA to the Neighborhood Association, but only as they pertain to Forest Ridge:

a. **Covenants and Restrictions.** RECOA hereby delegates to the Neighborhood Association the power to monitor and enforce all of the covenants and restrictions applicable to Forest Ridge under Sections 5, 6 and 7 of the Neighborhood Declarations; provided, however, that RECOA shall retain the powers, along with the Neighborhood Association, to independently enforce on its own behalf the covenants and restrictions contained in the Master Declaration and made applicable to Forest Ridge pursuant to Section 5 of the Neighborhood Declaration. Not delegated are the architectural review powers of the Master Association Architectural Review Committee, as established under Article 8 of the Master Declaration. Also not delegated are the Design Review and other rights and powers granted the Golf Course Owner set forth in Article 6 of the Master Declaration. RECOA shall retain the exclusive power to enforce the restrictions on parking and street obstructions contained in Section 7.7 of the Master Declaration. RECOA shall retain the exclusive power to determine acceptable amounts of insurance as specified in Section 1 of the Amendment to Declarations Annexing Phases 1, 1A, and 2 of Forest Ridge to the Ridge at Eagle Crest, recorded May 20, 2020 as Document number 2020-22928 in the Records of Deschutes County, Oregon.

b. **Easements.** Declarant, RECOA, the Master Association Architectural Review Committee and the Neighborhood Association shall all share the easements established under Sections 4.5 and 5.2 of the Master Declaration as they pertain to Forest Ridge. The Golf Course Owner’s Easements as set forth in Article 6.1 of the Master Declaration shall be unaffected by formation or operation of the Neighborhood Association.

c. **Neighborhood Policies and Procedures.** RECOA hereby delegates to the Neighborhood Association the power to adopt, modify or revoke policies and procedures pertaining to Forest Ridge, provided that such policies and procedures are consistent with and do

not conflict with, the Master Declaration or any Resolutions or Policies and Procedures adopted by RECOA pursuant thereto. RECOA shall continue to have the power to adopt, modify or revoke Policies and Procedures applicable to all of the Ridge at Eagle Crest, including Forest Ridge.

d. **Neighborhood Common Areas.** RECOA hereby delegates to the Neighborhood Association the responsibility for operating, repairing and maintaining the Neighborhood Common Areas of Forest Ridge, which are Common Lot "A", Common Lot "B" and Common Lot "C" as shown on the plat of Ridge at Eagle Crest 15.

e. **Neighborhood Assessments.** RECOA hereby delegates to the Neighborhood Association the responsibility for levying, assessing, collecting and enforcing the payment of Neighborhood Assessments for Forest Ridge for the purposes of carrying out the powers and responsibilities of the Neighborhood Association as delegated to it pursuant to these Articles of Incorporation, including, without limitation, maintaining, repairing and replacing the Neighborhood Common Areas (including reserves for the same) enforcing the Neighborhood Declarations, these Articles of Incorporation, the Bylaws of the Neighborhood Association and Neighborhood Policies and Procedures. RECOA shall retain the power to levy, assess, collect and enforce RECOA Assessments with respect to the Lots within Forest Ridge, other than those Assessments pertaining to matters delegated to Neighborhood Association herein.

f. **Retained Powers.** RECOA shall retain all duties, powers and responsibilities under the Master Declaration not expressly delegated to the Neighborhood Association, including, without limitation, those powers under Sections 9.12 and 10.5 of the Master Declaration to perform the duties of the Neighborhood Association if, in the sole determination of RECOA, the Neighborhood Association fails to do so itself. RECOA reserves for itself exclusively the power to enter into joint use agreements with other associations, entities or persons relating to the joint use of recreational or other facilities, including the joint use of the Neighborhood Common Areas, Common Areas, Recreational Facilities and Golf Courses.

3.3 **Specific Powers and Duties.** The powers and duties of the Neighborhood Association shall include, without limitation, all of the following:

a. **Maintenance and Services.** The Neighborhood Association shall maintain the Neighborhood Common Areas of Forest Ridge in attractive condition and in a good and workmanlike manner to render them fit for the purposes for which they are intended. The Neighborhood Association shall provide or contract for and maintain such utilities and services as the Board of Directors may reasonably deem to be of benefit to Forest Ridge.

b. **Insurance.** The Neighborhood Association shall obtain and maintain in full force policies of insurance as provided in the Neighborhood Declaration, the Bylaws of the Neighborhood Association and Oregon Planned Community Act.

c. **Rulemaking.** The Neighborhood Association shall make, establish, promulgate, amend and repeal Neighborhood Policies and Procedures for Forest Ridge (the "Neighborhood Policies and Procedures") governing the conduct of persons and the operation and use of the Lots and Neighborhood Common Areas within Forest Ridge as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of Forest Ridge, provided that such Neighborhood Policies and Procedures are consistent with and do not conflict with, the Master Declaration or the resolutions, policies or procedures adopted by RECOA. A copy of the Neighborhood Policies and Procedures, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be furnished by the Neighborhood Association Board of Directors to each Owner within Forest Ridge and shall be binding upon all Owners and occupants of all Lots within Forest Ridge upon the date of delivery. The method of adoption of such Neighborhood Policies and Procedures shall be as provided in the Bylaws of the Neighborhood Association.

d. **Assessments.** The Neighborhood Association shall adopt budgets and impose and collect Assessments as provided in the Neighborhood Bylaws.

e. **Enforcement.** The Neighborhood Association shall perform such acts as may be reasonably necessary to monitor and enforce the provisions of the Neighborhood Declaration, the Neighborhood Bylaws and the Neighborhood Policies and Procedures adopted by the Neighborhood Association.

f. **Employment of Agents, Advisers and Contractors.** The Neighborhood Association, through its Board of Directors, may employ the services of any person or corporation as managers; hire employees to manage, conduct and perform the business, obligations and duties of the Neighborhood Association; employ professional counsel and obtain advice from such persons or firms or corporations such as, but not limited to, landscape architects, architects, planners, lawyers and accountants; and contract for or otherwise provide for all services necessary or convenient for the management, maintenance and operation of Forest Ridge; provided, however, the Neighborhood Association may not incur or commit to incur legal fees in excess of \$5,000 for any specific matter unless the owners have enacted a resolution authorizing the incurring of such fees by a vote of seventy-five percent (75%) of the Voting Units present in person or by absentee ballot or proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to legal fees incurred in defending the Neighborhood Association or the Board of Directors from claims or litigation brought against them. The limitation set forth in this paragraph shall increase by \$500 on each fifth anniversary of the filing of these Articles.

g. **Borrow Money, Hold Title and Make Conveyances.** The Neighborhood Association may borrow and repay moneys for the purpose of performing its duties under these Articles subject to approval by a majority of the Voting Units, encumber the Project Common Areas as security for the repayment of such borrowed money. The Neighborhood Association may acquire, hold title to and convey, with or without consideration, real and personal property and interests therein, including, but not limited to, easements across all or any portion of the Project Common Area, and shall accept any real or personal property, leasehold or other property

interests within Forest Ridge conveyed to the Neighborhood Association by the Declarant or by RECOA.

h. **Implied Rights and Obligations.** The Neighborhood Association may exercise any other right or privilege reasonably to be inferred from the existence of any right or privilege expressly given to the Neighborhood Association under these Articles or reasonably necessary to effectuate any such right or privilege.

ARTICLE 4

Registered Office and Agent

4.1 The street address of the initial registered office of the Neighborhood Association and the name of its initial registered agent who is amenable to service of process at the address is:

Forest Ridge Neighborhood Association
2070 Cinnamon Teal Dr.
Redmond, Oregon 97756

ARTICLE 5

Address for Mailing Notices

5.1 The principal office and mailing address to which the Corporation Commissioner may mail notices as required by law is:

Forest Ridge Neighborhood Association
2070 Cinnamon Teal Dr
Redmond, OR 97756

ARTICLE 6

Directors

6.1 Directors. The affairs of the Neighborhood Association shall be governed by a board of directors appointed or elected as provided in the Neighborhood Bylaws.

ARTICLE 7

Membership and Voting Units

7.1 Membership. The Owners of one or more Lots in Forest Ridge are automatically members of both the Neighborhood Association and RECOA, until such time as ownership ceases for any reason.

7.2 Voting Units. Lots within Forest Ridge shall be allocated one Voting Unit per Lot. When more than one person holds an interest in any Lot, all such persons shall be members. Except as may otherwise be specified in the Neighborhood Declaration pertaining to such Lot,

the vote for such Lot shall be exercised as they among themselves determine. In no event, however, shall more than one Voting Units be cast with respect to any Lot. The methods of voting are as provided in the Neighborhood Bylaws.

7.3 **Classes of Membership.** Pursuant to Section 6.12 of the Phase 1 Declaration, Section 6.12 of Phase 1A Declaration, Section 6.13 Phase 2 Declaration and Section 9.3 of the Master Declaration, the Neighborhood Association shall have two classes of membership:

a. **Class A.** Class A members shall be all Owners of Lots in Forest Ridge with the exception of the Class B Member.

b. **Class B.** The Class B member shall be the Declarant as defined in the Master Declaration. 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:

(i) Declarant has completed development of all Lots and Common Areas permitted under the Master Plan, and Lots representing seventy-five percent (75%) of the Voting Units computed in accordance with this section have been sold and conveyed to Owners other than Declarant; or

(ii) At such earlier time as Declarant may elect in writing to terminate Class B membership.

ARTICLE 8

Liability and Indemnification of Directors and Officers

8.1 **Liability.** Neither a member of the Board of Directors nor an officer of the Neighborhood Association shall be liable to the Neighborhood Association or any Forest Ridge Owner for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of their duties, so long as the individual acted in good faith, believed that the conduct was in the best interests of the Neighborhood Association, or at least was not opposed to its best interests, and in the case of criminal proceedings, had no reason to believe the conduct was unlawful.

8.2 **Indemnification.** If any member of the Board of Directors or an officer of the Neighborhood Association or member of a Neighborhood Committee is made a party to any proceeding because the individual is or was a director or officer of the Neighborhood Association or member of a Neighborhood Committee, the Neighborhood Association shall defend such individual against such claims and indemnify the individual against liability and expenses incurred to the maximum extent permitted by law.

ARTICLE 9

Dissolution

9.1 **Dissolution**. Except as otherwise provided under the Oregon Planned Community Act, if the Neighborhood Association is at any time dissolved, whether inadvertently or deliberately, the Neighborhood Association automatically continues as an unincorporated Neighborhood Association under the same name as provided under ORS 94.626. Notwithstanding this Article 9, any powers delegated pursuant to Article 3.2 above shall revert to RECOA upon dissolution of the Neighborhood Association.

ARTICLE 10

Amendment

10.1 **Amendment**. The provisions of these Articles of Incorporation may be amended or repealed by the vote or written consent of Owners representing not less than seventy-five percent (75%) of the Lots within Forest Ridge, together with the consent of RECOA and the Class B member, if such Class B membership has not been terminated pursuant to the Master Declaration. In no event shall an amendment under this section create, limit or diminish rights reserved to the Declarant, Master Association Architectural Control Committee, Golf Course Owner or RECOA without the written consent of the affected party.

ARTICLE 11

Incorporator

11.1 **Incorporator**. The name and address of the incorporator is:

Ridge at Eagle Crest Owners Association
PO Box 1215
Redmond, OR 97756

DATED: June 30, 2020

I declare as an authorized signer, under penalty of perjury, that this document does not fraudulently conceal, obscure, alter, or otherwise misrepresent the identity of any person including officers, directors, employees, members, managers or agents. This filing has been examined by me and is, to the best of my knowledge and belief, true, correct and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment or both.

Leslie Brown, President
Ridge at Eagle Crest Owners Association