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AFTER RECORDING RETURN TO:  
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**AMENDED AND RESTATED BYLAWS**

**OF**

**WHEATHERSTONE PROPERTY OWNERS ASSOCIATION**

The original Bylaws were prepared by the Declarant, S J Development Co., an Oregon corporation, and recorded as an attachment to the Preliminary and First Final Declaration of Unit Ownership, A Condominium on November 26, 1972 as Fee No. 72-11495 in the Clackamas County, Oregon, deed records. These Amended and Restated Bylaws (hereinafter referred to as "Bylaws") supersede and replace the original Bylaws and any amendments thereto in their entirety.

**ARTICLE I**

**Name and Applicability**

1.1 Name. This Association shall be known as the WHEATHERSTONE PROPERTY OWNERS ASSOCIATION.

1.2 Definitions. The terms used in these Bylaws shall have the meanings defined in ORS 100.005 et seq. and the Declaration of Unit Ownership of Wheatherstone, a condominium, hereinafter referred to as the Declaration.

1.3 Applicability. Each owner, upon acceptance the deed to a unit, shall be deemed to have consented to the applicability of the provisions of these Bylaws to such owner and to rules and regulations promulgated by the Association pursuant thereto as the same may from time to time be amended. These Bylaws and such rules and regulations shall likewise applicable to the families of owners and tenants, employees and guests of owners.

**ARTICLE II**

**Purposes**

This Association was formed pursuant to the provisions of ORS 91.505 to 91.675, the Oregon Unit Ownership Law (now known as the Oregon Condominium Act ORS 100.005 et

seq.), to provide a means for administration of the condominiums located on the properties described in the Declaration.

### **ARTICLE III** **Composition and Voting Rights**

3.1 Composition. The Association shall be composed of all the owners of units in the condominium known as "Wheatherstone".

3.2 Voting Rights. Since each owner, pursuant to the Declaration, has an equal interest in the general common elements, each owner shall have one vote in any matter on which voting rights are provided by the Oregon Condominium Act or these Bylaws. When there is more than one record owner of a unit, all such owners may attend and participate in any meeting; but the vote for each unit shall be exercised as the persons holding such interests shall determine between themselves, provided that in no event shall there be more than one vote cast with respect to any such unit.

If a unit owner is in default in payment of a regular or special assessment for more than 60 days, such owner will be deemed not to be in good standing and the voting rights of that owner will be revoked until such time as the delinquent assessments, including interest and collection costs, are paid.

### **ARTICLE IV** **Meetings**

4.1 Annual Meeting. The annual meeting of the owners shall be held in Lake Oswego, Oregon, or at such other place in Clackamas County, Oregon, and at such date and time in the month of May of each year as may be prescribed by the board of directors.

4.2 Special Meetings. Special meetings of the owners may be called at any time by the board of directors and shall be called by the secretary of the Association upon written request of any five or more owners.

4.3 Notice. Notice of all meetings of owners shall be mailed by or at the direction of the secretary to each owner postage prepaid, at the address thereof as shall appear in the records of the Association or supplied by such owner to the Association for the purpose of notice. Such notice shall be mailed not less than ten (10) nor more than forty (40) days prior to the date of such meeting. The notice of the meeting shall specify the place and time of the meeting, and in the case of a special meeting, the purpose of the meeting. For purpose of this section only, if ownership of a unit is divided among several persons or entities, notices shall be sent to each such person or entity.

4.4 Waiver of Notice. Whenever any notice is required to be given to any owner in accordance with these Bylaws waiver thereof in writing signed by the person or persons entitled to such notice, whether it be before or after the time stated therein, shall be equivalent to the giving of such notice.

4.5 Quorum. The presence at any meeting in person or by proxy of a majority of the owners in good standing shall constitute a quorum for any action.

4.6 Proxy. An owner may vote in person or by proxy executed in writing and filed with the secretary prior to commencement of the meeting. The proxies may require the holder to cast a vote for or against any special proposal set out in the notice to call the meeting. Alternatively, proxies may allow the holder to exercise his/her independent judgment in voting on such matters. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Such proxy shall be revocable and shall automatically terminate upon termination of an owner's status as such.

4.7 Vote Required. Except for matters on which a greater vote is required by the Oregon Condominium Act, the Declaration and these Bylaws, the action of a majority of those present at any duly called meeting of the Association at which a quorum is present shall constitute action of the Association.

4.8 Ballot Meetings. In the sole discretion of the board, a meeting of the Association may be held by ballot rather than at a formal gathering. Any action that may be taken at any annual or special meeting of the owners may be taken without a formal gathering if the Association delivers a written ballot to every owner entitled to vote on the matter. Such ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. A proposed action shall be deemed to be approved by written ballot when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. The board must provide owners with at least ten (10) days' notice as required by ORS 100.425(2)(c) before written ballots are mailed or otherwise delivered. If, at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the owners petition the board requesting secrecy procedures, a written ballot must be accompanied by a secrecy envelope, a return identification envelope to be signed by the owner and instructions for making and returning the ballot. Written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

4.9 Action by Unanimous Consent. Any action which may be taken by the Association may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the owners entitled to vote with respect to such matter. Such consent shall have the same force and effect as a unanimous vote and may be so described in any document required to be filed under the Oregon Condominium Act, the Declaration or these Bylaws.

**ARTICLE V**  
**Board of Directors**

5.1 Number. The affairs of this Association shall be managed by a board of five (5) directors. All directors shall be owners; provided, however, that an owner that is a corporation may designate its officers or agents to serve as directors.

5.2 Term. At each annual meeting, the owners shall elect directors for a term of two years to fill the term of office of the directors whose terms expire at such annual meeting. Directors shall serve until their successors are elected and assume office.

5.3 Vacancies. In the event of the death or resignation of a director, his successor shall be elected by a majority vote of the remaining directors. A director elected to fill a vacancy shall hold office during the remainder of the term of the director succeeded.

5.4 Removal. Any director may be removed from office at any time with or without cause, upon the majority vote of all of the owners taken at a meeting of the Association; provided, however, that the notice of such meeting shall have stated that such removal was to be considered. The successor of such director shall be elected at the same meeting for the then unexpired term of the director so removed.

5.5 Compensation. No director shall receive compensation for any services he may render to the Association as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties as a director and may receive compensation for services to the Association in other capacities than as a director.

5.6 Manner of Election. In any case where the number of nominations for the board of directors exceeds the number of vacancies, election shall be by secret written ballot. At each election the owners or their proxies may cast in respect to each vacancy as many votes as they are entitled to cast by the provisions of these Bylaws. Persons receiving the largest number of votes shall be elected.

**ARTICLE VI**  
**Meetings of the Board of Directors**

6.1 Regular Meetings. Within ten days after each annual meeting of the Association, the directors elected at such meeting and those holding over shall hold an organization meeting for the purpose of electing officers as hereinafter provided and for transaction of such other business as may come before the meeting. If all directors are present at the time and place of such meeting, no prior notice of such meeting shall be required to be given to the directors. The board of directors by resolution may establish the date, time and place for other regular meetings of the board.

6.2 Special Meetings. Special meetings may be called by the chairman and must be called by the chairman at the request of at least two directors. Such special meeting may be held at such time and place as the board of directors or the chairman shall determine and any business may be transacted at such meeting.

6.3 Notices. No notice need be given of regular meetings held pursuant to resolution of the board of director; as hereinabove specified. Notice of special meetings shall be given at least three days prior to the date of such meeting either personally, by mail, telephone or email. Attendance at a meeting shall constitute a waiver of notice thereof.

6.4 Quorum. A majority of the directors shall constitute a quorum but no action of the board of directors shall be valid unless it is approved by an affirmative vote of at least three (3) directors.

6.5 Board of Directors' Meetings Open to All Association Members. Except as provided below, all meetings of the board of directors shall be open to all members of the Association. No Association member shall have a right to participate in discussions at the board of directors' meetings unless such member is also a member of the board of directors. The Chairman shall have authority to exclude any Association member who disrupts the proceedings at a meeting of the board of directors.

At the discretion of the board, the following matters may be considered in executive sessions:

- (a) Consultation with legal counsel concerning rights and duties of the Association regarding existing or potential litigation or criminal matters;
- (b) Personnel matters, including salary negotiations and employee discipline;
- (c) Negotiations of contracts with third parties;
- (d) Collection of assessments; and
- (e) Any other matters for which the Oregon Condominium Act permits.

Except in the case of an emergency, the board of directors shall vote in an open meeting whether to meet in executive session. If the board of directors votes to meet in executive session, the presiding officer of the board of directors shall state the general nature of the action to be considered, as precisely as possible, when and under what circumstances the deliberations can be disclosed to owners. The statement, motion or decision to meet in executive session must be included in the minutes of the meeting. A contract or an action considered in executive session does not become effective unless the board of directors, following the executive session, reconvenes in open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes.

6.6 Notice to Association Members of Board of Directors' Meetings. For other than emergency meetings, notice of board of directors' meetings shall be posted at a place on the Condominium property at least three (3) days prior to the meeting or notice otherwise shall be provided to each member of the Association in a manner that is reasonably calculated to inform each member of such meetings. The posting of such notices shall be at a reasonable location which has been generally publicized to the owners.

6.7 Emergency Meetings. In the event of an emergency, board of directors meetings may be conducted by telephonic communication or by the use of a means of communication that allows all board members participating to hear each other simultaneously or otherwise to be able to communicate during the meeting. No notice to either directors or Association members shall be required for such meetings of the board of directors to be held for any emergency action. Provided, however, that no such meeting shall occur unless at least seventy-five percent (75%) of the board of directors participate in the same and after an attempt has been made to reach each Director.

## **ARTICLE VII**

### **Powers and Duties of the Board of Directors**

7.1 General Powers. The board of directors shall have power to:

7.1.1 Exercise for the Association all powers duties and authority vested in or delegated to the Association and not reserved to the owners by other provisions of these Bylaws or the Declaration.

7.1.2 Adopt, amend, revoke, publish and cause to be enforced rules and regulations not inconsistent with the Declaration governing the use of the units and the common elements, and the personal conduct of owners, their families, tenants and guests with respect thereto. Such rules and regulations shall become effective when due notice thereof is given by mail to each owner at his address as indicated in the records of the Association.

7.2 Duties of the Board of Directors. It shall be the duty of the board of directors to:

7.2.1 Cause the common elements to be maintained, repaired and replaced as necessary, and in case of casualty and subject to the limitations in the Declaration, to reconstruct and re-establish the Properties.

7.2.2 To cause to be obtained and maintained in full force and effect policies of casualty and liability insurance meeting the specifications therefor set forth in Article XIII of the Declaration.

7.2.3 To employ, replace and fix the terms of compensation of a manager. The manager may be an individual or a corporation. The manager shall have such authority to act on behalf of the board of directors and the Association as may be delegated to him or it from time to time by the board of directors.

7.2.4 To cause to be employed such personnel as may be necessary for the maintenance, upkeep and repair of the common elements.

7.2.5 To cause to be kept a complete record of all of its acts and the proceedings of its meetings, and to cause to be presented at the annual meeting of the Association a report reviewing the business and affairs of the Association for the year.

7.2.6 To cause all officers or employees having fiscal responsibilities to be bonded with sufficient surety for the faithful performance of their official duties, the premium on such bond to be paid by the Association as a part of the common expenses.

7.2.7 To obtain legal and accounting services necessary or proper in the operation of the Properties or the enforcement of the Declaration or these Bylaws.

7.2.8 Causing the Association to comply with ORS 100.480 relating to maintenance within the State of Oregon of documents delivered to the Association by the Declarant, depositing all assessments in a separate bank account in the name of the Association, payment of all expenses of the Association from the Association's bank account, and maintenance and distribution of financial statements and to maintain copies suitable for duplication of the following: the Declaration, the Articles of Incorporation, the Bylaws, the Association rules and regulations and any amendments thereto, the most recent annual financial statement, and the current operating budget of the Association. Further, the board of directors shall cause to be maintained and kept current the information required to enable the Association to comply with ORS 100.480(7).

7.2.9 Causing the Association to file an Annual Report with the Oregon Real Estate Agency, as provided in ORS 100.250 and ORS 100.260.

7.2.10 Causing the Association to file the necessary tax returns of the Association.

7.2.11 Establishing and maintaining a current mailing address for the Association.

7.3 Approval of Payment Vouchers. The treasurer shall pay or cause to be paid all vouchers signed by the chairman or by another board member for expenditures of up to \$2000. Vouchers for any expenditures in excess of \$2000 shall require the signature of two (2) board members who should be the treasurer and the chairman, if available.

7.4 Authority With Respect to Capital Improvements. The board of directors shall not have authority to make expenditures in excess of \$2,000 for capital additions to or capital improvements of the common elements without the prior approval of the Association by a vote of a majority of all of the owners.

## **ARTICLE VIII**

### **Officers**

8.1 Officers. The officers of this Association shall be a chairman, who shall be a member of the board of directors, and a secretary and a treasurer, who may, but need not, be members of the board of directors. The board of directors may appoint an assistant secretary or an assistant treasurer by resolution entered in its minutes. The offices of secretary and treasurer may be held by the same person. Officers shall be elected at the organization meeting of the board of directors each year, and the term of office shall be for a term of one year and until their successors are elected and assume office unless such officer resigns or is removed.

8.2 Removal, Resignation and Vacancies. Any officer may be removed from office with or without cause by the board of directors. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.3 Chairman. The chairman shall preside at all meetings of the Association and of the board of directors. He shall sign for the Association such contracts and other documents as he may be authorized by the board of directors to sign and as prescribed by these Bylaws, and shall perform all acts and duties usually performed by a presiding officer or as prescribed by the board of directors. In the absence or disability of the chairman, the member of the board of directors senior in service shall preside and perform the duties of the chairman.

8.4 Secretary. The secretary shall keep or cause to be kept a complete record of all meetings of the Association and of the board of directors; serve notice of the meetings of the board of directors and of the owners; keep appropriate current records showing the names and addresses of the owners; perform such duties as he is required to perform in connection with assessments; and shall perform such other duties as may be required by the board. The assistant secretary may be authorized by the board of directors to perform the duties of the secretary.

8.5 Treasurer. The treasurer shall pay or cause to be paid vouchers in accordance with the terms of these Bylaws; shall keep such records, make such reports and perform such other duties as may be required from time to time by the board of directors.

8.6 Delegation and Change of Duties. In the event of absence or disability of any officer, the board of directors may delegate, during such absence or disability, the powers or duties of such officer to any other officer or any director.

## **ARTICLE IX**

### **Collection of Share of Common Expenses**

9.1 Basis and Determination. Each owner's share of the excess of common expenses over common income shall be collected as an assessment on the basis and in the manner set forth in Article VII of the Declaration. Special assessments for capital improvements may be established by vote of the owners as set forth in the Declaration.



9.2 Statement of Assessments.

9.2.1 The Association shall provide, within ten (10) business days of receipt of a written request from an owner, a written statement that provides:

9.2.1.1 The amount of assessments due from the owner and unpaid at the time the request was received, including:

- (a) Regular and special assessments;
- (b) Fines and other charges;
- (c) Accrued interest; and
- (d) Late payment charges.

9.2.1.2 The percentage rate at which interest accrues on assessments that are not paid when due.

9.2.1.3 The percentage rate used to calculate the charges for late payment or the amount of a fixed charge for late payment.

9.2.2 The Association is not required to comply with Section 9.2.1 if the Association has commenced litigation by filing a complaint against the owner and the litigation is pending when the statement would otherwise be due.

9.3 Lien as Reasonable Value. Each owner agrees that in the event an unpaid assessment becomes a lien upon his condominium in accordance with the provisions of the Declaration and ORS 100.450, that the amount of such lien shall conclusively be deemed to be the reasonable value of such common expenses as are represented by such lien.

9.4 Provisions in the Event of Foreclosure of Lien. In any foreclosure suit against a unit, the owner shall be required to pay a reasonable rental for the unit, and the Association shall be entitled to the appointment of a receiver to collect such rental. The board of directors acting on behalf of the Association shall have power to bid in the unit at the foreclosure sale and to acquire and hold, lease, mortgage and convey such unit. Any rental received shall be applied first to the cost of renting such units and secondly to the amount of such unpaid assessments thereon.

**ARTICLE X**  
**Books, Records, Audit**

10.1 Inspection by Members. The books and records of the Association shall at all times during reasonable business hours be subject to inspection by any owner at the office of the Association.

10.2 Reports and Audits. The board of directors shall prepare or cause to be prepared an annual financial statement consisting of a balance sheet and income and expense statement setting forth the financial condition of the Association as of the end of each year. The report shall be prepared according to generally accepted accounting procedures and shall be distributed to all owners within ninety (90) days after the end of each fiscal year. In the event the Association's annual assessments exceed \$75,000.00, the board of directors shall cause the financial statement to be reviewed within one hundred eighty (180) days after the end of the fiscal year by an independent certified public accountant licensed in the State of Oregon, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. In the event the annual assessments are \$75,000.00 or less, the board of directors shall cause the most recent financial statement of the Association to be reviewed in the manner described above within one hundred eighty (180) days after the board of directors receives a petition requesting review signed by owners holding at least a majority of the voting rights in the Association. At any time and at his own expense, any owner or mortgagee may cause an audit or inspection to be made of the books and records of the Association.

11.3 Execution of Documents. When the execution of any instrument has been authorized by the board of directors without specifying the executing officer, such instrument may be executed by the chairman and any one of the following officers: secretary, treasurer or assistant secretary. The board of directors may, however, authorize any one of such officers to sign any such instruments for and on behalf of the Association and may designate officials or employees of the Association other than those named above who may sign such instrument.

## **ARTICLE XI** **Mortgagees**

11.1 Notice to Association. Any unit owner who mortgages his interest in a unit shall notify the Association, through the manager, or the board if there is no manager, of the name and address of his mortgagee, and the secretary shall maintain such information in the record of ownership of the Association.

11.2 Notice of Unpaid Assessments. The manager or board of directors, at the request of any mortgagee or prospective purchaser of any unit or interest therein, shall report to such person the amount of any unpaid assessments due from the owner of such unit.

## **ARTICLE XII** **Incorporation**

12.1 By unanimous vote of its board of directors, the Association may be incorporated under Chapter 65 Oregon Revised Statutes as a non-profit corporation. In such event the articles and Bylaws of the incorporated Association shall conform, as far as legally permissible to the provisions of these Bylaws, but in no event shall the Declaration be modified by such

incorporation without complying with the provisions thereof, for amendment. Upon such incorporation every member of the Association shall be a member of the corporation with the rights and privileges to which he is entitled as a member of the Association prior to incorporation insofar as legally permissible. Such incorporation shall not change the status of any assessment made prior to the date of such incorporation by the board of directors of the Association. In the event of such incorporation, the incorporated Association shall succeed to the rights and shall be responsible for all liabilities of the Association. Upon the organization for business of such corporation in accordance with ORS Chapter 65, and upon the filing with the Secretary of State Corporation Division of a copy of the Articles of Incorporation, the authority of the manager as trustee and the authority of the board of directors to act on behalf of the unincorporated Association shall terminate and the members of the board of directors shall execute appropriate documents of transfer and conveyance with respect to property, if any, owned by the board of directors on behalf of the unincorporated Association.

**ARTICLE XIII**  
**Amendments**

These Bylaws may be amended at any annual or special meeting of the Association provided that notice of the amendment shall be included in notice of the meeting. No such amendment shall be effective unless and until approved by the vote of not less than a majority of the owners in good standing and until a copy of the Bylaws as so amended, certified by the chairman and secretary of the Association, is recorded with the Recording Officer of Clackamas County, Oregon. Any matters stated in these Bylaws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration.

The undersigned hereby certify that they are the duly qualified acting Chairman and Secretary of WHEATHERSTONE PROPERTY OWNERS ASSOCIATION and that these Bylaws have been approved by seventy-five percent (75%) of the owners as required by the Bylaws and Oregon Condominium Act.

WHEATHERSTONE PROPERTY OWNERS  
ASSOCIATION

By: Robert J. Sweeney  
Chairman

By: Donald J. Polstrom  
Secretary

STATE OF OREGON )  
County of Clackamas ) ss.

August 22, 2005

Personally appeared before me the above-named Robert Sweeney  
and Daniel Philstrom who, being duly sworn, did say that they are the  
Chairman and Secretary of the Weatherstone Property Owners Association and that said  
instrument was signed in behalf of said Association by authority of its board of directors; and  
they acknowledged said instrument to be its voluntary act and deed.

Susan S. Stephens  
Notary Public for Oregon

