

BYLAWS
OF
WHEATHERSTONE PROPERTY OWNERS ASSOCIATION

ARTICLE I

Name and Applicability

1.1 Name. This Association shall be known as the WHEATHERSTONE PROPERTY OWNERS ASSOCIATION, which is an unincorporated association composed of unit owners of Weatherstone, a condominium.

1.2 Definitions. The terms used in these bylaws shall have the meanings defined in ORS 91.505 and the Declaration of Unit Ownership of Weatherstone, a condominium, hereinafter referred to as the Declaration.

1.3 Applicability. Each owner, upon acceptance of 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 be applicable to the families of owners and tenants, employees, and guests of owners.

ARTICLE II

Purposes

2.1 This Association is formed pursuant to the provisions of ORS §§91.505 to 91.675, the Oregon Unit Ownership Law, 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 Unit Ownership Law or these bylaws. Declarant in the Declaration shall be entitled to one vote with respect to each unsold unit owned by it.

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.

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 seven nor more than 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 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. 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 Unit Ownership Law, 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 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 Unit Ownership Law, 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 three directors until the first annual meeting. Such directors shall be:

After the first annual meeting the board of directors shall consist of five members. 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. The directors named in the preceding section shall serve until the first annual meeting and until their successors are elected and assume office. At the first annual meeting, owners shall elect three directors for a term of two years and two directors for a term of one year. At each annual meeting thereafter, 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 resig-

nation 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 directors 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 telegraph. 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 directors.

6.5 Action without a meeting. Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors to such action. Any action so taken shall have the same effect as though taken at a meeting of the directors.

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.

7.3 Approval of payment vouchers. The treasurer shall pay or cause to be paid all vouchers signed by the manager for expenditures of up to \$1,000. Vouchers for any expenditures in excess of \$1,000 shall require the signature of the chairman and the manager.

7.4 Authority with respect to capital improvements.
The board of directors shall not have authority to make expendi-

tures 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 by-laws; 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. The board of directors may fix an annual assessment in any amount less than the maximum set forth in the Declaration. The maximum annual assessment established in the Declaration may be changed as provided in the Declaration by vote of the owners. Special assessments for capital improvements may likewise be established by vote of the owners as set forth in the Declaration.

9.2 Certificates with respect to assessment. The secretary shall cause to be furnished to an owner liable for an assessment upon demand of such owner a certificate in writing setting forth whether the assessments on property of such owner have been paid.

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 91.580, 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 manager 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

Restrictions on Occupancy

~~10.1 No children under the age of sixteen years may be permanent residents in the Properties.~~

ARTICLE XI

Books, Records, Audit

11.1 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.

11.2 Audit. An audit shall be made at any time upon order of the board of directors or upon a majority vote of the owners present at a regular or special meeting 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 XII

Mortgagees

12.1 Notice to Association. Any unit owner who mortgages his interest in a unit shall notify the Association, through the manager, of the name and address of his mortgagee,

and the secretary shall maintain such information in the record of ownership of the Association.

12.2 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 XIII

Incorporation

13.1 By unanimous vote of its board of directors, the Association may be incorporated under Chapter 62 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 62, and upon the filing with the appropriate recording officer of Clackamas County 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 XIV

Amendments

14.1 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 75% of the owners 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.

ARTICLE XV

Existing Officers

15.1 The following persons are hereby declared to be the officers of the Association until their successors are elected and assume office:

Chairman	Lyle Schneider
Secretary	Peter Jouflas
Treasurer	Allen E. Stewart

The undersigned hereby certify that they are the duly qualified acting chairman and secretary of WHEATHERSTONE PROPERTY OWNERS ASSOCIATION and that these bylaws are the duly

adopted bylaws of such Association.

DATED: Feb 28, 1972.

Walter P. Schneider
Chairman

Peter J. Juffer
Secretary

STATE OF OREGON, }
County of Clackamas, }

I, George D. Poppen, County Clerk, Ex-Officio Recorder of Conveyances and Ex-Officio Clerk of the Circuit Court of the State of Oregon, for the County of Clackamas, do hereby certify that the within instrument of writing was received for and recorded in the records of

DEED
712 APR 26 PM 12 31 of said County at

In Book _____ On Page _____

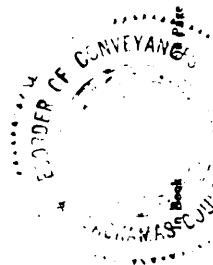
Witness my hand and seal aforesaid,
GEORGE D. POPPEN
County Clerk.

George D. Poppen
Recording Clerk's JO [Signature] Deputy.

STATE OF OREGON
County of Clatsop

I, George D. Poppin, County Clerk, Ex-Officio
Recorder of Conveyances and Ex-Officio Clerk
of the Circuit Court of the State of Oregon, for
the County of Clatsop, do hereby certify that
the within and foregoing was received by
and recorded by me on this day of _____

1972 OCT 27 PM 4 04
of said County at _____



GEORGE D. POPPIN
Deputy
George D. Poppin
Recording Certificate

g-900-1

AMENDMENT TO BYLAWS

of

WHEATHERSTONE PROPERTY OWNERS ASSOCIATION

The undersigned hereby certify that at a meeting of
the Wheatherstone Property Owners Association held on October
2, 1972, officers of the Association were elected as follows,
the officers named in the bylaws having resigned:

- | | |
|-----------|-------------|
| Chairman | Lem Nelson |
| Secretary | Walter Aman |
| Treasurer | Walter Aman |

and at such meeting by a vote of more than 75% of the unit
owners, the bylaws of the Association were amended in the follow-
ing particular:

"ARTICLE X

Restrictions on Occupancy

10.1 No children under the age of 16 years may be
permanent residents in the Properties."
was repealed.

DATED October 26, 1972.

[Signature]
Secretary

[Signature]
Chairman

County of Washington
State of Oregon

On this 26th day of October, 1972 before me, the undersigned, a Notary
Public, appeared Lem Nelson, Chairman of Wheatherstone Property Owners
Association who being first duly sworn did state that the foregoing document
is a true statement and an accurate record of the meeting of the Wheather-
stone Property Owners Association held on October 2, 1972.

[Signature]

Subscribed and sworn to before me

[Signature]
Notary Public for Oregon

My commission expires June 22, 1973

72 7000