

WHEN RECORDED, RETURN TO:

**LITTLE WHALE COVE  
Homeowners Association  
P.O. Box 49  
Depoe Bay, OR 97341**

**2007 RESTATED BYLAWS  
OF  
LITTLE WHALE COVE  
HOMEOWNERS ASSOCIATION, INC.**

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**Exhibit A** Little Whale Cove Property

**2007 RESTATED BYLAWS  
OF  
LITTLE WHALE COVE  
HOMEOWNERS ASSOCIATION, INC.**

These 2007 Restated Bylaws of Little Whale Cove Homeowners Association, Inc. (“**2007 Restated Bylaws**”) are made this \_\_\_ day of \_\_\_\_\_, 2007 by Little Whale Cove Homeowners Association, Inc., an Oregon nonprofit corporation (the “**Association**”) pursuant to ORS 94.625(9).

**RECITALS**

A. Little Whale Cove is a community of owners initially established by Declaration of Conditions, Restrictions, Covenants, Easements, Reservations and Regulations (the “Declaration”) recorded November 9, 1976 in Book 70, Page 74, Records of Lincoln County, Oregon.

B. By amendments to the Declaration, additional property was annexed to Little Whale Cove as provided in Section 2.2 of the Declaration. The property currently subject to the Declaration is described in Exhibit I of 2007 Restated Declaration of Condition, Restrictions, Covenants, Easements, Reservation and Regulations Little Whale Cove (“2007 Restated Declaration”) being recorded currently with these 2007 Restated Bylaws. **The property described in Exhibit I to the 2007 Restated Declaration is described in attached *Exhibit A*.**

C. Association is the association of owners formed pursuant to the Declaration and incorporated April 5, 1977 as a nonprofit corporation under Oregon law.

D. The Association is currently governed by Bylaws of Little Whale Cove Homeowners Association, Inc., as amended by Amendment to Bylaws recorded October 14, 1997 in Book 345, page 1138 Records of Lincoln County, Oregon. Except for the amendment, the Bylaws are not recorded in the Records of Lincoln County, Oregon.

E. Little Whale Cove is subject to Declaration of Merger of Little Whale Condominium Owner’s Association into Little Whale Cove Homeowner’s Association recorded June 3, 1999 in Book 382, Page 1901, Records of Lincoln County, Oregon. These 2007 Restated Bylaws do not include any provisions of the recorded document.

F. As of January 1, 2002, Little Whale Cove is a Class I Planned Community and subject to the provisions of the Oregon Planned Community Act (ORS 94.550 to 94.783) as provided in ORS 94.572.

G. ORS 94.625(9) permits a board of directors, upon the adoption of a resolution, to cause restated bylaws to be prepared, executed and recorded to codify individual amendments that have been adopted in accordance with ORS 94.625 without further approval of owners.

H. By resolution adopted \_\_\_\_\_, 2007, in accordance with ORS 94.625(9), the Board of Directors voted to cause the Bylaws to be restated to codify the amendments set forth in Recital D above and to cause 2007 Restated Bylaws to be executed and recorded as provided in ORS 94.625.

**NOW, THEREFORE**, pursuant to ORS 94.625(9), the Board of Directors hereby restates the Bylaws to codify the amendments set forth in Recital D above. The Bylaws are hereby restated to read as follows:

**ARTICLE I**  
**PLAN OF UNIT OWNERSHIP**

**1.1 Name and Location.** These are the Bylaws of LITTLE WHALE COVE HOMEOWNERS ASSOCIATION, INC. (hereinafter the “Association”). LITTLE WHALE COVE (hereinafter the “Project”) is located in Lincoln County, Oregon, and has been submitted to the Oregon Unit Ownership Law and the Oregon Subdivision Control Law by a Declaration of Conditions, Restrictions, Covenants, Easements, Reservations and Regulations filed on November 10, 1976, and by supplemental declarations, if any, annexing property to the Project (hereinafter “the Declaration”). The location of the Project is more specifically described in the Declaration.

**1.2 Principal Office.** The principal office of the Association shall be located at Little Whale Cove, P.O. Box 49, Depoe Bay, Oregon 97341.

**1.3 Purposes.** This Association is formed under the provisions of the Oregon Unit Ownership Law and the Oregon Subdivision Control Law to serve as the means through which the unit owners may take action with regard to the administration, management and operation of the Project.

**1.4 Applicability of Bylaws.** The Association, all unit owners, and all persons using the Project property shall be subject to these Bylaws and to all rules and regulations which may be promulgated hereunder.

**1.5 Little Whale Cove Declaration.** In addition to these Bylaws and the Declaration, the Association, all unit owners, and all persons using the Project property are subject to the Declaration of Little Whale Cove (hereinafter the “Declaration”), and any rules and regulations promulgated thereunder.

**1.6 Composition of Association.** The Association shall be composed of all the parcel owners of the Project, including HALVORSON-MASON CORPORATION and its successors or assigns, (hereinafter the “Developer”) and the Association, itself, to the extent either of these own any parcels in the Project. Property owners shall be members automatically by virtue of their ownership, provided however property owners other than Developer have no voting interest as herein defined until the parcel owned has a completed residential unit thereon.

**ARTICLE II**  
**MEETINGS OF ASSOCIATION**

**2.1 Place of Meetings.** The Association shall hold meetings at 10626 S.W. Barbur Blvd., Portland, Oregon 97219, or at such other suitable place convenient to the parcel owners as may be designated by the Board of Directors.

**2.2 First Organizational Meeting.** Within five (5) years after the Developer has filed the Declaration, the developer shall call a meeting to organize the Association. In the event of lack of a quorum at such first organizational meeting, it may adjourn to the time of the next annual meeting.

**2.3 Annual Meetings.** The Annual Meeting of the Association shall be held on the fourth Saturday of October at such hour as the Chairman may designate, or if such date be a holiday then as near to that date as is feasible. The Annual Meeting shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

**2.4 Special Meetings.** Special meetings of the Association may be called by the chairman or secretary or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from at east twenty percent (20%) of the parcel owners having voting interests, stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

**2.5 Notice of Meetings.** Notice of all meetings of the Association stating the time and place and the objects for which the meeting is being called shall be given by the chairman or secretary. Such notice shall be in writing and mailed to each parcel owner at his address as it appears on the books of the Association not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice.

Notice of meeting may be waived by any parcel owner before or after meetings. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

**2.6 Voting Interests.** Each owner of one or more parcels shall have one vote for each parcel owned by such person upon which a residential unit has been completed. The Developer shall be entitled to one vote for each parcel upon which a residential unit has not been completed and one vote for each residential unit owned by Developer, and the Board of Directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the Board of Directors shall not be entitled to vote such units in any election of Directors.

**2.7 Proxies.** A vote may be cast in person or by proxy. A proxy given by a holder of a

voting interest to any person who represents such holder at meetings of the Association shall be in writing and signed by such owner, and shall be filed with the secretary.

No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease when the holder of the voting interest no longer holds such interest.

**2.8 Fiduciaries and Joint Owners.** An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any voting interest held by him in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the secretary that he is the executor, administrator, guardian or trustee, holding such voting interest in such capacity.

Whenever any residential unit is owned by two or more persons jointly, according to the records of the Association, the vote of such unit may be exercised by any one of the owners then present, in the absence of protest by a co-owner. In the event of such protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of such unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

**2.9 Quorum of Unit Owners.** At any meeting of the Association, fifty percent (50%) of the voting interests, present in person or by proxy, shall constitute a quorum. The subsequent joinder of a residential unit owner in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

When a quorum is once present to organize a meeting, it cannot be broken by subsequent withdrawal therefrom. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

**2.10 Majority Vote.** The vote of fifty percent (50%) or more of the voting interests present in person or by proxy at a meeting at which a quorum is constituted shall be binding upon all voting interests for all purposes except where a higher percentage vote is required by law, by the Declaration or by these Bylaws.

**2.11 Order of Business.** The order of business at annual meetings of the Association shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.



- (d) Reports of officers.
- (e) Reports of committees, if any.
- (f) Election of Directors.
- (g) Unfinished business.
- (h) New business.
- (I) Adjournment.

### **ARTICLE III** **BOARD OF DIRECTORS**

**3.1 Number and Qualification.** The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons. All Directors, other than interim Directors appointed by Developer, shall be owners or co-owners of residential units within the Project.

**3.2 Interim Directors.** Upon the filing of the Declaration, the Developer shall appoint an interim Board of five (5) Directors, who shall serve until their successors have been elected as hereinafter provided.

**3.3 Election and Term of Office.** Directors shall be elected for two year terms with two directors elected on even numbered years and three directors elected on odd numbered years.

**3.4 Vacancies.** Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, or by a sole remaining Director. Each person so elected shall be a Director until a successor is elected to fill the unexpired term at the next annual meeting of the Association or the next special meeting of the Association called for that purpose.

**3.5 Removal of Directors.** At any regular or special meeting of the Association duly called, any one or more of the Directors, other than interim Directors, may be removed with or without cause by a majority vote of the voting interests present in person or by proxy, and a successor shall be elected at that meeting to fill the vacancy thus created. The notice of any such meeting shall state that such removal is to be considered, and any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

**3.6 Powers and Duties.** The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or by the Declaration or by these Bylaws which may not be delegated to the Board of Directors. Except as hereinabove provided, the powers and duties to be exercised by the Board of

Directors shall include, but shall not be limited to the following:

(a) Operation, care, upkeep, maintenance and repair of the general and limited common elements, and designation of parking spaces which are general common elements as guest, resident or reserved parking.

(b) Determination of the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures.

(c) Collection of the common expenses from the parcel owners, whether or not a dwelling unit has been completed upon such parcel.

(d) Employment and dismissal of such personnel as necessary for the efficient maintenance, upkeep and repair of the common areas and private ways.

(e) Employment of legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association.

(f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing parcels or residential units at foreclosure or other judicial sales in the name of the Association, or its designee, on behalf of all the owners.

(h) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of Directors), or otherwise dealing with parcels or residential units acquired by the Association or its designee.

(I) Obtaining insurance or bonds pursuant to the provisions of these Bylaws.

(j) Making additions and improvements to, or alterations of, the common areas or private ways; provided, however, that no such project may be undertaken by the Board if the total cost will exceed the amount of \$5,000.00 unless the holders of voting interests have enacted a resolution authorizing the project by a vote of the majority of such interests present in person or by proxy at a meeting at which a quorum is constituted. Assessments therefore shall be made in accordance with the Declaration.

(k) Enforcement by legal means of the provisions of Oregon law, the Declaration, these Bylaws and any rules and regulations adopted hereunder.

(l) Collection of assessments pursuant to the Declaration to be paid to the Association, which shall specifically although not exclusively include the right to enforce a lien against the property for such assessment.

**3.7 Managing Agent or Manager.** On behalf of the Association, the Board of Directors may employ or contract for a managing agent or a manager at a compensation to be established by the Board of Directors. The Board of Directors may delegate to the managing agent or manager such duties and owners as the Board of Directors may authorize. In the absence of such appointment, the Board of Directors shall act as manager.

**3.8 Organization Meeting.** Within ten (10) days following the annual meeting of the Association or following any meeting at which an election of Directors has been held, the Board of Directors shall hold an organization meeting at such place and time as shall have been fixed by the Directors at the meeting at which the election was held.

**3.9 Regular and Special Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Special meetings of the Board of Directors may be called by the chairman and must be called by the secretary at the written request of at least three (3) Directors.

Notice of any special meeting shall be given to each Director, personally or by mail, telephone or telegraph at least fourteen (14) days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting.

**3.10 Waiver of Notice.** Any Director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver by him of notice of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**3.11 Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors.

If at any meeting of the Board of Directors less than a quorum should be present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

**3.12 Compensation.** No Director shall receive any compensation from the Association for acting as such, except for out-of-pocket expenses, unless such compensation is approved by a majority vote of the holders of voting interests.

**3.13 Liability and Indemnification of Directors, Manager or Managing Agent.** The Directors, including interim Directors, shall not be liable to the Association or the owners of parcels or residential units for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith.

The Association shall indemnify and hold harmless each Director and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the Board of Directors, manager or managing agent on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration filed herewith or of these Bylaws.

Each Director and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party, or which they may become involved, by reason of being or having been a Director, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnify if the Director, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of his duties.

**3.14 Fidelity Bonds.** The Board of Directors may require that any or all officers or employees of the Association who handle or are responsible for Association funds shall furnish such fidelity bonds as the Board deems adequate. The premiums on such bonds shall be paid by the Association.

**3.15 Insurance.** The Board of Directors shall obtain such liability insurance as the Board deems necessary to protect the Association, its officers or employees, and the owners. In addition, the Board of Directors, as trustee for the owners, shall obtain such casualty insurance as necessary to protect the entire project, including any additions thereto, as provided by the Declaration. The Board of Directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or owners.

The Board of Directors shall conduct an annual insurance review which shall include an appraisal of all improvements by a representative of the carrier writing the casualty policy. No owner may engage in any activity which might jeopardize the insurance coverage described herein.

Insurance policies obtained hereunder shall be master policies insuring the Association, its Officers and Directors, the manager or managing agent, if any, and all owners, as their respective interests may appear, and shall include the following provisions, if possible:

(a) Casualty coverage shall include those risks covered by a standard fire insurance policy with extended coverage endorsement and shall be for the full replacement cost without deduction of depreciation.

(b) Such policy shall contain a waiver of the usual proration and waiver of any right of subrogation as against any co-insured and elimination of the usual “no other insurance” provisions.

(c) Such policy shall require the insurance company to give notice of cancellation to the insureds and any mortgagees covered by loss payable clauses.

(d) Such policy shall bear a mortgagee's clause or a loss-payable clause in favor of any mortgagee or lender requesting the same, but such clause shall not give the mortgagee or lender the right to preempt payment of the insurance proceeds to the Association or to control whether or not the damage is repaired. The insurer shall likewise waive its right to determine whether the damage should be repaired, and loss adjustment and control of the proceeds of the policy should rest in the Association as trustee for the unit owners.

(e) Liability coverage should cover any owner for his acts or omissions in connection with the parcel or residential unit and cover any liability arising out of such ownership, and should contain a severability of interests provision so as to cover one owner for this liability to another owner.

#### **ARTICLE IV** **OFFICERS**

**4.1 Designation.** The principal officers of the Association shall be the Chairman, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint a Vice Chairman, an Assistant Treasurer, an Assistance Secretary, and such other officers as in their judgment may be necessary. The Chairman shall be a member of the Board of Directors, but the other officers need not be Directors or owners.

**4.2 Election of Officers.** The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. If any office shall become vacant, the Board of Directors shall elect a successor to fill the unexpired term at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

**4.3 Removal of Officers.** Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

#### **ARTICLE V** **BUDGET, EXPENSES AND ASSESSMENTS**

**5.1 Budget.** The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association, estimate the common expenses expected to be incurred, less any previous overassessment, and assess the common expenses to each unit owner in the same proportion as his percentage interest in the common areas.

The Board of Directors shall advise each owner in writing of the amount of common expenses payable by such owner, and furnish copies of each budget on which such common expenses are based to all parcel owners, and, if requested, to their mortgagees.

**5.2 Determination of Common Expenses.** Common expenses shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common areas and private ways.
- (c) Cost of insurance or bonds obtained accordance with these Bylaws and the Declaration.
- (d) A general operating reserve.
- (e) Reserve or replacements and deferred maintenance.
- (f) Any charges allocated to the Association by the Association under the Declaration.
- (g) Any deficit in common expenses for any prior period.
- (h) Any other items properly chargeable as an expense of the Association.

**5.3 Assessment of Common Expenses.** All owners shall be obliged to pay common expenses assessed to them by the Developer pursuant to the Declaration or the Board of Directors on behalf of the Association pursuant to these Bylaws and the Declaration. The Developer shall be assessed as the owner of any unsold parcel or dwelling unit owned by it, but such assessment shall be prorated to the date of sale.

The Developer or Board on behalf of the Association, shall assess the common expenses against the owners from time to time, and at least annually, and shall take prompt action to collect any common expenses due which remains unpaid by him for than thirty (30) days from the due date for its payment. Such assessment shall be in addition to any assessments imposed directly upon any parcel owner under the Declaration. The Board may make an initial assessment to the first owner of each parcel for the purpose of establishing initial operating funds or reserves.

If any additional property is annexed to the Project, as provided in the Declaration, the first owner, other than Developer, of each parcel or residential unit therein shall pay the same initial assessment as other owners paid. The Board of Directors shall promptly prepare a new budget reflecting the addition to the Project and shall recompute any previous assessment covering any period after annexation.

**5.4 Default of Payment of Assessments and Fines.** In the event of default by a parcel owner in paying the assessment or fine provided under the Bylaws and Declaration, such owner shall be obligated to pay interest at the rate of nine percent (9%) per annum on such assessment or fine from the due date thereof, together with all expenses including attorneys fees incurred by the

Association or Developer in any proceeding to collect such unpaid assessment or fines, or any appeal therefrom.

It is understood that each assessment or fine levied pursuant to the Declaration or Bylaws, including Association dues, shall be a separate, distinct and personal debt and obligation of the owner against whom the assessment or fine is levied.

Sale or transfer of the parcel shall not release such owner from the personal liability imposed. Provided the amount not paid (including installments not otherwise due of Developer or the Association elects that such installment be accelerated), together with interest, costs and attorneys fees as herein provided shall become a lien on the parcel or residential unit against which the sum is due upon recordation by Developer or Association of a notice of lien or action to foreclose the lien may then be brought under Oregon law. Such liens shall be subordinate to the lien of any mortgage or trust deed upon such parcel or parcels which was made in good faith and for value and which was recorded prior to recordation of the notice of lien.

**5.5 Foreclosure of Liens for Unpaid Common Expenses.** In any suit brought by the Association to foreclose a lien on a parcel or residential unit because of unpaid common expenses, the owner thereof shall be required to pay a reasonable rental for the use thereof during the pendency of the suit, and the plaintiff in such foreclosure suit 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 the power to purchase such parcel or residential unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the parcel or residential unit. A suit or action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing the liens securing the same.

**5.6 Statement of Common Expenses.** The Board of Directors shall promptly provide any owner who makes a request in writing with a written statement of unpaid common expenses.

## **ARTICLE VI** **RECORDS AND AUDIT**

**6.1 General Records.** The Board of Directors and the managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and the managing agent or manager, minutes of the meetings of the Board of Directors and minutes of the meetings of the Association. The Board of Directors shall maintain a list of owners entitled to vote at meetings of the Association.

**6.2 Record of Receipts and Expenditures.** The Board of Directors or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and private ways, itemizing the maintenance and repair expenses thereof and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available

for examination by owners at convenient hours of weekdays.

**6.3 Assessment Roll.** The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessment comes due, the amounts paid upon the account and the balance due on the assessments.

**6.4 Payment of Vouchers.** The Treasurer shall pay all vouchers up to \$1,000 signed by the Chairman, managing agent, manager or other person authorized by the Board of Directors. Any voucher in excess of \$1,000 shall require the signature of the Chairman.

**6.5 Reports and Audits.** An annual report of the receipts and expenditures of the Association shall be rendered by the Board of Directors to all owners and to their respective mortgagees who have requested the same promptly after the end of each fiscal year.

From time to time the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies thereof to the owners. At any time any owner may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

## **ARTICLE VII MAINTENANCE AND USE OF LITTLE WHALE COVE**

**7.1 Maintenance and Repair.** Except as otherwise provided herein for damage or destruction caused by casualty:

(a) Units. All maintenance of and repairs to any unit shall be made by the owner of such unit, who shall keep the same in good order, condition and repair and shall do all redecorating and painting which at any time may be necessary to maintain the good appearance and condition of his unit, subject to the provisions of the Declaration.

(b) Common Areas and Private Ways. All maintenance, repairs and replacements to the common areas or private ways shall be made by the Association and shall be charged to all the owners as a common expense.

**7.2 Additions, Alterations or Improvements.** All additions, alterations or improvements, whether of a unit by the unit owner or of a common area or private way by the Association, must be approved as to design by the Architectural Committee.

**7.3 Damage or Destruction by Casualty of LITTLE WHALE COVE Property.**

(a) In the event of damage or destruction by casualty of LITTLE WHALE COVE property, the damage or destruction shall be repaired, reconstructed or rebuilt unless, within fourteen



(14) days of such damage or destruction, the Board of Directors or more than ten percent (10%) of those holding voting interests shall have requested a special meeting of the Association. Such special meeting must be held within sixty (60) days of the date of damage or destruction.

At the time of such meeting, unless ninety percent (90%) of those holding voting interests, whether in person, by writing or by proxy, vote not to repair, reconstruct or rebuild the damaged property, the damage or destruction shall be repaired, reconstructed or rebuilt.

(b) The Association shall be responsible for repairing, reconstructing or rebuilding all such damage or destruction to the common elements and, to the extent of the Association's insurance coverage, all such damage or destruction to any residential unit insured thereby. Each residential unit owner shall be responsible for such repairing, reconstructing or rebuilding of his unit as is not covered by the Association's insurance.

(c) To the extent that insurance proceeds paid to the Association are not used to repair, reconstruct or rebuild the damaged or destroyed property, the Association shall equitably distribute the proceeds among the owners.

**7.4 Condemnation.** In the event of a taking in condemnation by eminent domain of part or all of the common areas or private ways, the award made for such taking shall be payable to the Association. If seventy-five percent (75%) or more of the owners entitled to vote duly and promptly approve the repair or restoration of such common elements, the Board of Directors shall arrange for the same, which shall be paid out of the proceeds of the award.

In the event seventy-five percent (75%) or more of those entitled to vote do not duly and promptly approve the repair and restoration of such common elements, the Board of Directors shall equitably disburse the new proceeds of such award among the owners.

**7.5 Restrictions and Requirements Respecting Use of Project Property.**

(a) Residential Use. The use for which common areas, private ways and private areas may be put shall be determined by the Declaration.

(b) Association Rules and Regulations. The Developer or the Board of Directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of parcels, residential units, common areas and private ways as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Project.

Such action may be modified by vote of a majority of the voting interests, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation of rules and regulations will be under consideration.

A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Secretary promptly to each owner and shall be binding upon all owners and occupants of all residential units and parcels from the date of delivery.

**7.6 Right of Entry.** A residential unit owner or occupant shall grant the right of entry to the Board of Directors, managing agent, manager or any other person authorized by the Board of Directors in the case of any emergency originating in or threatening such unit or other Project property, whether or not the owner or occupant is present at the time.

An owner or occupant shall also permit such persons to enter his residential unit for the purpose of performing installations, alterations or repairs to any common area or private way, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner or occupant.

**7.7 Abatement and Enjoining of Violations.** The violations of any rule or regulation adopted hereunder or the breach of any Bylaw contained herein or of any provision of the Declaration shall give the Board of Directors, acting on behalf of the Association, the right, in addition to any other rights set forth in these Bylaws and the Declaration:

(a) To enter the residential unit or upon the parcel in which or as to which such violation exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty of any manner of trespass; or

(b) To enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

## **ARTICLE VIII** **AMENDMENTS TO BYLAWS**

**8.1 How Proposed.** Amendments to the Bylaws shall be proposed by either a majority of the Board of Directors or by twenty percent (20%) of the voting interests. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

**8.2 Adoption.** A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the holder of a voting interest and may be approved at a meeting called for this purpose. Holders of voting interests not present at the meeting considering such amendment may express their approval in writing or by proxy. Such resolution must be approved by seventy-five percent (75%) of the voting interests.

**8.3 Execution and Recording.** An amendment shall not be effective until certified by

the Chairman and Secretary of the Association and until recorded as required by law.

**IX**  
**MISCELLANEOUS**

**9.1 Notices.** All notices to the Association or to the Board of Directors shall be sent care of the managing agent, or if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereinafter designate from time to time. All notices to any owner shall be sent to such address as may have been designated by him from time to time, in writing to the Board of Directors.

**9.2 Waiver.** No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

**9.3 Invalidity, Number; Captions.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used herein, the singular shall include the plural, and the plural the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

**9.4 Adoption by Reference.** The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

**9.5 Conflicts.** These Bylaws are intended to comply with the Oregon Unit Ownership Law, the Oregon Subdivision Control Law, and the Declaration. In case of any irreconcilable conflict, such statute and documents shall control over these Bylaws or any rules and regulations adopted hereunder.

**LITTLE WHALE COVE HOMEOWNERS  
ASSOCIATION, INC., an Oregon nonprofit  
corporation**

By: \_\_\_\_\_  
Louis B. Schultze, Chairman

By: \_\_\_\_\_  
Robert L. Anderson, Secretary

**CERTIFICATION**

The undersigned President and Secretary of Little Whale Cove Homeowners Associations, Inc., an Oregon nonprofit corporation, hereby certify that the 2007 Restated Bylaws of Little Whale Homeowners Association, Inc. includes all previously adopted amendments in effect and includes no other changes, except to correct scrivener's errors or to conform format and style.

**LITTLE WHALE COVE HOMEOWNERS  
ASSOCIATION, INC., an Oregon nonprofit  
corporation**

\_\_\_\_\_  
Louis B. Schultze, Chairman

\_\_\_\_\_  
Robert L. Anderson, Secretary

STATE OF OREGON            )  
  ) ss  
County of Lincoln            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2007 by Louis B. Schultze, Chairman, of Little Whale Cove Homeowners Association, Inc., an Oregon nonprofit corporation, on its behalf.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: \_\_\_\_\_

STATE OF OREGON            )  
  ) ss  
County of Lincoln            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2007 by Robert L. Anderson, Secretary, of Little Whale Cove Homeowners Association, Inc., an Oregon nonprofit corporation, on its behalf.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**LITTLE WHALE COVE PROPERTY**

Little Whale Cove No. 1 Lincoln County, Oregon, EXCEPT Tract D, Tract E and Tract F, as amended by Replat Lot 10 and Tract (B&C) of Little Whale Cove No. 1

Little Whale Cove No.1, Annex, Lincoln County, Oregon

Little Whale Cove No. 2, Lincoln County, Oregon

Little Whale Cove No. 3, Lincoln County, Oregon

Little Whale Cove No. 4, Lincoln County, Oregon

Little Whale Cove No. 5, Lincoln County, Oregon

Little Whale Cove No. 6, Lincoln County, Oregon

Little Whale Cove Condominiums created by the following documents recorded in the Records of Lincoln County, Oregon:

- Declaration of Unit Ownership Little Whale Cove Condominiums: Phase I recorded June 6, 1979 in Book 101, Page 636 and Plat of Little Whale Cove Condominiums Phase 1 recorded in Book C1, Page 28, Plat Records
- Supplemental Declaration of Unit Ownership Little Whale Cove Condominiums: Phase II recorded June 6, 1979 in Book 101, Page 716 and Plat of Little Whale Cove Condominiums Phase 2 in Book and Plat of Little Whale Cove No. 2 recorded June 9, 1979 in Book C1, Page 29, Plat Records.
- Supplemental Declaration of Unit Ownership Little Whale Cove Condominiums: Phase III recorded December 12, 1979 in Book 108, Page 491 and Plat of Little Whale Cove Condominiums Phase 3 in Book and recorded December 12, 1979 in Book C1, Page 35, Plat Records.
- Supplemental Declaration of Unit Ownership Little Whale Cove Condominiums: Phase IV recorded March 25, 1982 in Book 111, Page 877 and Plat of Little Whale Cove Condominiums Phase 4 recorded March 25, 1982 in Book C1, Page 39, Plat Records.
- Little Whale Cove Condominiums Phase V Supplemental Declaration of Unit Ownership recorded July 23, 1987 in Book 184, Page 40 and Plat of Little Whale Cove Condominiums Phase V recorded July 23, 1987 in Book C1, Page 87, Plat Records.

Innisfree Patio Home Condominium created by Declaration of Condominium Ownership for Innisfree Patio Home Condominium recorded November 6, 2003 as Document No. 2003-18991 and Plat of Innisfree Patio Home Condominium Stage 1, recorded November 6, 2003 in Book C1, Page 158, Records of Lincoln County Oregon, as the Declaration and Plat are supplemented pursuant to ORS 100.120.