

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2823**

1 On page 4 of the printed A-engrossed bill, after line 4, insert:

2 **“SECTION 1a.** ORS 94.550, as amended by section 1 of this 2013 Act, is  
3 amended to read:

4 “94.550. As used in ORS 94.550 to 94.783:

5 “(1) ‘Assessment’ means any charge imposed or levied by a homeowners  
6 association on or against an owner or lot pursuant to the provisions of the  
7 declaration or the bylaws of the planned community or provisions of ORS  
8 94.550 to 94.783.

9 “(2) ‘Association account’ means an operating account or a reserve ac-  
10 count.

11 “(3) ‘Association account holder’ means an individual:

12 “(a) Who is designated and authorized to use an association account to  
13 transact business on behalf of a homeowners association; and

14 “(b) Whose signature is on file with the financial institution, as defined  
15 in ORS 706.008, other than an extranational institution at which the associ-  
16 ation account is established.

17 “(4) ‘Blanket encumbrance’ means a trust deed or mortgage or any other  
18 lien or encumbrance, mechanic’s lien or otherwise, securing or evidencing  
19 the payment of money and affecting more than one lot in a planned commu-  
20 nity, or an agreement affecting more than one lot by which the developer  
21 holds such planned community under an option, contract to sell or trust  
22 agreement.

1 “(5) ‘Class I planned community’ means a planned community that:

2 “(a) Contains at least 13 lots or in which the declarant has reserved the  
3 right to increase the total number of lots beyond 12; and

4 “(b) Has an estimated annual assessment, including an amount required  
5 for reserves under ORS 94.595, exceeding \$10,000 for all lots or \$100 per lot,  
6 whichever is greater, based on:

7 “(A) For a planned community created on or after January 1, 2002, the  
8 initial estimated annual assessment, including a constructive assessment  
9 based on a subsidy of the association through a contribution of funds, goods  
10 or services by the declarant; or

11 “(B) For a planned community created before January 1, 2002, a reason-  
12 able estimate of the cost of fulfilling existing obligations imposed by the  
13 declaration, bylaws or other governing document as of January 1, 2002.

14 “(6) ‘Class II planned community’ means a planned community that:

15 “(a) Is not a Class I planned community;

16 “(b) Contains at least five lots; and

17 “(c) Has an estimated annual assessment exceeding \$1,000 for all lots  
18 based on:

19 “(A) For a planned community created on or after January 1, 2002, the  
20 initial estimated annual assessment, including a constructive assessment  
21 based on a subsidy of the association through a contribution of funds, goods  
22 or services by the declarant; or

23 “(B) For a planned community created before January 1, 2002, a reason-  
24 able estimate of the cost of fulfilling existing obligations imposed by the  
25 declaration, bylaws or other governing document as of January 1, 2002.

26 “(7) ‘Class III planned community’ means a planned community that is  
27 not a Class I or II planned community.

28 “(8) ‘Common expenses’ means expenditures made by or financial liabil-  
29 ities incurred by the homeowners association and includes any allocations  
30 to the reserve account under ORS 94.595.

1 “(9) ‘Common property’ means any real property or interest in real prop-  
2 erty within a planned community which is owned, held or leased by the  
3 homeowners association or owned as tenants in common by the lot owners,  
4 or designated in the declaration or the plat for transfer to the association.

5 “(10) ‘Condominium’ means property submitted to the provisions of ORS  
6 chapter 100.

7 “(11) ‘Declarant’ means any person who creates a planned community  
8 under ORS 94.550 to 94.785.

9 “(12) ‘Declarant control’ means any special declarant right relating to  
10 administrative control of a homeowners association, including but not lim-  
11 ited to:

12 “(a) The right of the declarant or person designated by the declarant to  
13 appoint or remove an officer or a member of the board of directors;

14 “(b) Any weighted vote or special voting right granted to a declarant or  
15 to units owned by the declarant so that the declarant will hold a majority  
16 of the voting rights in the association by virtue of such weighted vote or  
17 special voting right; and

18 “(c) The right of the declarant to exercise powers and responsibilities  
19 otherwise assigned by the declaration or bylaws or by the provisions of ORS  
20 94.550 to 94.783 to the association, officers of the association or board of di-  
21 rectors of the association.

22 “(13) ‘Declaration’ means the instrument described in ORS 94.580 which  
23 establishes a planned community, and any amendments to the instrument.

24 “(14) ‘Governing document’ means an instrument or plat relating to com-  
25 mon ownership or common maintenance of a portion of a planned community  
26 and that is binding upon lots within the planned community.

27 “(15) ‘Homeowners association’ or ‘association’ means the organization  
28 of owners of lots in a planned community, created under ORS 94.625, required  
29 by a governing document or formed under ORS 94.572.

30 “(16) ‘Majority’ or ‘majority of votes’ or ‘majority of owners’ means more

1 than 50 percent of the votes in the planned community.

2 “(17) ‘Mortgagee’ means any person who is:

3 “(a) A mortgagee under a mortgage;

4 “(b) A beneficiary under a trust deed; or

5 “(c) The vendor under a land sale contract.

6 “(18) ‘Operating account’ means an account established and maintained  
7 by the homeowners association, as required by section 3 of this 2013 Act, to  
8 hold moneys of the association other than moneys the association is required  
9 to hold in a reserve account.

10 “(19) ‘Owner’ means the owner of any lot in a planned community, unless  
11 otherwise specified, but does not include a person holding only a security  
12 interest in a lot.

13 “(20) ‘Percent of owners’ or ‘percentage of owners’ means the owners re-  
14 presenting the specified voting rights as determined under ORS 94.658.

15 “(21)(a) ‘Planned community’ means any subdivision under ORS 92.010 to  
16 92.192 that results in a pattern of ownership of real property and all the  
17 buildings, improvements and rights located on or belonging to the real  
18 property, in which the owners collectively are responsible for the mainte-  
19 nance, operation, insurance or other expenses relating to any property within  
20 the planned community, including common property, if any, or for the exte-  
21 rior maintenance of any property that is individually owned.

22 “(b) ‘Planned community’ does not mean:

23 “(A) A condominium under ORS chapter 100;

24 “(B) A planned community that is exclusively commercial or industrial;  
25 or

26 “(C) A timeshare plan under ORS 94.803 to 94.945.

27 “(22) ‘Purchaser’ means any person other than a declarant who, by means  
28 of a voluntary transfer, acquires a legal or equitable interest in a lot, other  
29 than as security for an obligation.

30 “(23) ‘Purchaser for resale’ means any person who purchases from the

1 declarant more than two lots for the purpose of resale whether or not the  
2 purchaser for resale makes improvements to the lots before reselling them.

3 **“(24) ‘Records of an association’ or ‘records kept by or on behalf**  
4 **of an association’ means information that is prepared, owned, used or**  
5 **retained by a member of the board of directors of a homeowners as-**  
6 **sociation, or members of a committee formed by the association, in**  
7 **the course of exercising responsibilities to the planned community,**  
8 **including information:**

9 **“(a) Provided to or by a member of the board, or a committee**  
10 **formed by the association, concerning matters of the association;**

11 **“(b) Submitted to a member of the board, or a committee, consid-**  
12 **ering the adoption of policies; and**

13 **“(c) Documenting communications to or from a member of the**  
14 **board, or a committee, concerning policies or practices of the associ-**  
15 **ation.**

16 “[24] (25) ‘Reserve account’ means an account established and main-  
17 tained by the homeowners association, as required by section 3 of this 2013  
18 Act, to hold moneys of the association that the association is required to  
19 hold as reserves.

20 “[25] (26) ‘Special declarant rights’ means any rights, in addition to the  
21 rights of the declarant as a lot owner, reserved for the benefit of the  
22 declarant under the declaration or ORS 94.550 to 94.783, including but not  
23 limited to:

24 **“(a) Constructing or completing construction of improvements in the**  
25 **planned community which are described in the declaration;**

26 **“(b) Expanding the planned community or withdrawing property from the**  
27 **planned community under ORS 94.580 (3) and (4);**

28 **“(c) Converting lots into common property;**

29 **“(d) Making the planned community subject to a master association under**  
30 **ORS 94.695; or**

1 “(e) Exercising any right of declarant control reserved under ORS 94.600.

2 “[26] (27) ‘Successor declarant’ means the transferee of any special  
3 declarant right.

4 “[27] (28) ‘Turn over’ means the act of turning over administrative re-  
5 sponsibility pursuant to ORS 94.609 and 94.616.

6 “[28] (29) ‘Unit’ means a building or portion of a building located upon  
7 a lot in a planned community and designated for separate occupancy or  
8 ownership, but does not include any building or portion of a building located  
9 on common property.

10 “[29] (30) ‘Votes’ means the votes allocated to lots in the declaration  
11 under ORS 94.580 (2).”.

12 In line 5, delete “and 4” and insert “, 4 and 4a”.

13 On page 5, after line 16, insert:

14 **“SECTION 4a. (1) Notwithstanding contrary provisions of a gov-  
15 erning document of a planned community, the homeowners associ-  
16 ation, and the declarant during any period of declarant control, may  
17 not prohibit an owner or occupant of a lot from displaying a sign based  
18 on the content of the sign:**

19 **“(a) On the lot; or**

20 **“(b) On any other property or structure in the planned community  
21 that is under the exclusive use and occupancy of the owner or occu-  
22 pant.**

23 **“(2) A homeowners association may impose reasonable restrictions  
24 on the number and size of signs or the time period during which signs  
25 may be displayed.”.**

26 On page 13, after line 19, insert:

27 **“SECTION 8a. ORS 94.670, as amended by section 8 of this 2013 Act, is  
28 amended to read:**

29 **“94.670. (1) A homeowners association shall retain within this state the  
30 documents, information and records delivered to the association under ORS**

1 94.616 and all other records of the association for not less than the period  
2 specified for the record in ORS 65.771 or any other applicable law except  
3 that:

4 “(a) The documents specified in ORS 94.616 (3)(o), if received, must be  
5 retained as permanent records of the association.

6 “(b) Proxies and ballots must be retained for one year from the date of  
7 determination of the vote, except that proxies and ballots relating to an  
8 amendment to the declaration, bylaws or other governing document must be  
9 retained for one year from the date the amendment is effective.

10 “(2) The association shall keep financial records, including all records of  
11 association accounts, that are sufficiently detailed for proper accounting  
12 purposes.

13 “(3) Within 90 days after the end of the fiscal year, the board of directors  
14 shall:

15 “(a) Prepare or cause to be prepared an annual financial statement con-  
16 sisting of a balance sheet and income and expenses statement for the pre-  
17 ceding fiscal year; and

18 “(b) Distribute to each owner and, upon written request, any mortgagee  
19 of a lot, a copy of the annual financial statement.

20 “(4) Subject to section 24, chapter 803, Oregon Laws 2003, the association  
21 of a planned community that has annual assessments greater than \$75,000  
22 and less than \$500,000 shall cause the financial statement required under  
23 subsection (3) of this section to be reviewed in the manner required by sub-  
24 section (8) of this section within 180 days after the end of each fiscal year.

25 “(5) Subject to section 24, chapter 803, Oregon Laws 2003, the association  
26 of a planned community created on or after January 1, 2004, or the associ-  
27 ation of a planned community described in ORS 94.572 that has annual as-  
28 sessments of \$75,000 or less, shall cause the most recent financial statement  
29 required by subsection (3) of this section to be reviewed:

30 “(a) In the manner required by subsection (8) of this section; and

1       “(b) Within 180 days after the association receives a petition signed by  
2 at least a majority of the owners that requests review of the most recent fi-  
3 nancial statement required by subsection (3) of this section.

4       “(6) The association of a planned community that has annual assessments  
5 of \$500,000 or more shall cause the financial statement required under sub-  
6 section (3) of this section to be audited within 180 days after the end of each  
7 fiscal year in the manner required by subsection (8) of this section.

8       “(7) An association subject to the review requirements of subsection (4)  
9 of this section may elect, on an annual basis, not to comply with the re-  
10 quirements by an affirmative vote of at least 60 percent of the owners, not  
11 including the votes of the declarant with respect to lots owned by the  
12 declarant.

13       “(8) The review of financial statements required under subsection (4) or  
14 (5) of this section and the audits required under subsection (6) of this section  
15 must be performed, in accordance with standards issued by the American  
16 Institute of Certified Public Accountants, by an independent certified public  
17 accountant licensed in Oregon.

18       “(9)(a) The association shall provide, within 10 business days of receipt  
19 of a written request from an owner, a written statement that provides:

20       “(A) The amount of assessments due from the owner and unpaid at the  
21 time the request was received, including:

22       “(i) Regular and special assessments;

23       “(ii) Fines and other charges;

24       “(iii) Accrued interest; and

25       “(iv) Late payment charges.

26       “(B) The percentage rate at which interest accrues on assessments that  
27 are not paid when due.

28       “(C) The percentage rate used to calculate the charges for late payment  
29 or the amount of a fixed charge for late payment.

30       “(b) The association is not required to comply with paragraph (a) of this



1 subsection if the association has commenced litigation by filing a complaint  
2 against the owner and the litigation is pending when the statement would  
3 otherwise be due.

4 “(10)(a) **An association, and the declarant during any period of**  
5 **declarant control, may not make information confidential or exempt**  
6 **from disclosure to owners that is not made confidential or exempt**  
7 **from disclosure by ORS 94.550 to 94.783.**

8 “(b) Except as provided in paragraph [(b)] (c) of this subsection, the as-  
9 sociation shall make the documents, information and records described in  
10 subsections (1) and (3) of this section and all other records of the association  
11 reasonably available for examination and, upon written request, **including**  
12 **written requests by electronic mail, facsimile or other electronic**  
13 **communications**, available for duplication by an owner and any mortgagee  
14 of a lot that makes the request in good faith for a proper purpose.

15 “[b)] (c) Records kept by or on behalf of the association may be withheld  
16 from examination and duplication to the extent the records concern:

17 “(A) Personnel matters relating to a specific identified person or a  
18 person’s medical records.

19 “(B) Contracts, leases and other business transactions that are currently  
20 under negotiation to purchase or provide goods or services.

21 “(C) Communications with legal counsel that relate to matters specified  
22 in subparagraphs (A) and (B) of this paragraph and the rights and duties of  
23 the association regarding existing or potential litigation or criminal matters.

24 “(D) Disclosure of information in violation of law.

25 “(E) Documents, correspondence or management or board reports com-  
26 piled for or on behalf of the association or the board of directors by its  
27 agents or committees for consideration by the board of directors in executive  
28 session held in accordance with ORS 94.640 (8).

29 “(F) Documents, correspondence or other matters considered by the board  
30 of directors in executive session held in accordance with ORS 94.640 (8).

1 “(G) Files of individual owners, other than those of a requesting owner  
2 or requesting mortgagee of an individual owner, including any individual  
3 owner’s file kept by or on behalf of the association.

4 “(11) The association shall maintain a copy, suitable for the purpose of  
5 duplication, of the following:

6 “(a) The declaration and bylaws, including amendments or supplements  
7 in effect, the recorded plat, if feasible, and the association rules and regu-  
8 lations currently in effect.

9 “(b) The most recent financial statement prepared pursuant to subsection  
10 (3) of this section.

11 “(c) The current operating budget of the association.

12 “(d) The reserve study, if any, described in ORS 94.595.

13 “(e) Architectural standards and guidelines, if any.

14 “(12) The association, within 10 business days after receipt of a written  
15 request by an owner, shall furnish the requested information required to be  
16 maintained under subsection (11) of this section.

17 “(13) The board of directors, by resolution, may adopt reasonable rules  
18 governing the frequency, time, location, notice and manner of examination  
19 and duplication of association records and the imposition of a reasonable fee  
20 for furnishing copies of any documents, information or records described in  
21 this section. The fee may include reasonable personnel costs for furnishing  
22 the documents, information or records.”.

23 On page 14, line 23, delete “and 4” and insert “, 4 and 4a”.

24 In line 35 delete “and 4” and insert “, 4 and 4a”.

25 In line 44 delete “and 4” and insert “, 4 and 4a”.

26 On page 15, line 5, delete “and 4” and insert “, 4 and 4a”.

27 On page 21, after line 10, insert:

28 “**SECTION 12a.** ORS 100.005, as amended by section 12 of this 2013 Act,  
29 is amended to read:

30 “100.005. As used in this chapter, unless the context requires otherwise:

1       “(1) ‘Assessment’ means any charge imposed or levied by the association  
2 of unit owners on or against a unit owner or unit pursuant to provisions of  
3 the declaration or the bylaws of the condominium or provisions of ORS  
4 100.005 to 100.910.

5       “(2) ‘Association account’ means an operating account or a reserve ac-  
6 count.

7       “(3) ‘Association account holder’ means an individual:

8       “(a) Who is designated and authorized to use an association account to  
9 transact business on behalf of an association of unit owners; and

10       “(b) Whose signature is on file with the financial institution, as defined  
11 in ORS 706.008, other than an extranational institution at which the account  
12 is established.

13       “(4) ‘Association of unit owners’ or ‘association’ means the association  
14 provided for under ORS 100.405.

15       “(5) ‘Association property’ means any real property or interest in real  
16 property acquired, held or possessed by the association under ORS 100.405.

17       “(6) ‘Blanket encumbrance’ means a trust deed or mortgage or any other  
18 lien or encumbrance, mechanic’s lien or otherwise, securing or evidencing  
19 the payment of money and affecting more than one unit in a condominium,  
20 or an agreement affecting more than one such unit by which the developer  
21 holds such condominium under an option, contract to sell or trust agreement.

22       “(7) ‘Building’ means a multiple-unit building or single-unit buildings, or  
23 any combination thereof, comprising a part of the property. ‘Building’ also  
24 includes a floating structure described in ORS 100.020 (3)(b)(D).

25       “(8) ‘Commissioner’ means the Real Estate Commissioner.

26       “(9) ‘Common elements’ means the general common elements and the  
27 limited common elements.

28       “(10) ‘Common expenses’ means:

29       “(a) Expenses of administration, maintenance, repair or replacement of  
30 the common elements;

1       “(b) Expenses agreed upon as common by all the unit owners; and  
2       “(c) Expenses declared common by ORS 100.005 to 100.625 or by the dec-  
3 laration or the bylaws of the particular condominium.

4       “(11) ‘Condominium’ means:

5       “(a) With respect to property located within this state:

6       “(A) The land, if any, whether fee simple, leasehold, easement or other  
7 interest or combination thereof, and whether contiguous or noncontiguous;

8       “(B) Any buildings, improvements and structures on the property; and

9       “(C) Any easements, rights and appurtenances belonging to the property  
10 submitted to the provisions of ORS 100.005 to 100.625; and

11       “(b) With respect to property located outside this state, the property that  
12 has been committed to the condominium form of ownership in accordance  
13 with the jurisdiction within which the property is located.

14       “(12) ‘Conversion condominium’ means a condominium in which there is  
15 a building, improvement or structure that was occupied prior to any negoti-  
16 ation and that is:

17       “(a) Residential in nature, at least in part; and

18       “(b) Not wholly commercial or industrial, or commercial and industrial,  
19 in nature.

20       “(13) ‘Declarant’ means a person who records a declaration under ORS  
21 100.100 or a supplemental declaration under ORS 100.110.

22       “(14) ‘Declaration’ means the instrument described in ORS 100.100 by  
23 which the condominium is created and as modified by any amendment re-  
24 corded in accordance with ORS 100.135 or supplemental declaration recorded  
25 in accordance with ORS 100.120.

26       “(15) ‘Developer’ means a declarant or any person who purchases an in-  
27 terest in a condominium from declarant, successor declarant or subsequent  
28 developer for the primary purpose of resale.

29       “(16) ‘Flexible condominium’ means a condominium containing property  
30 that may be reclassified or withdrawn from the condominium pursuant to

1 ORS 100.150 (1).

2 “(17) ‘General common elements,’ unless otherwise provided in a declara-  
3 tion, means all portions of the condominium that are not part of a unit or  
4 a limited common element, including but not limited to the following:

5 “(a) The land, whether fee simple, leasehold, easement, other interest or  
6 combination thereof, together with any rights and appurtenances;

7 “(b) The foundations, columns, girders, beams, supports, bearing and shear  
8 walls, windows, except glazing and screening, unit access doors, except  
9 glazing and screening, roofs, halls, corridors, lobbies, stairs, fire escapes,  
10 entrances and exits of a building;

11 “(c) The basements, yards, gardens, parking areas and outside storage  
12 spaces;

13 “(d) Installations of central services such as power, light, gas, hot and  
14 cold water, heating, refrigeration, air conditioning, waste disposal and  
15 incinerating;

16 “(e) The elevators, tanks, pumps, motors, fans, compressors, ducts and in  
17 general all apparatus and installations existing for common use;

18 “(f) The premises for the lodging of janitors or caretakers of the property;  
19 and

20 “(g) All other elements of a building and the condominium necessary or  
21 convenient to their existence, maintenance and safety, or normally in com-  
22 mon use.

23 “(18) ‘Leasehold’ means the interest of a person, firm or corporation who  
24 is the lessee under a lease from the owner in fee and who files a declaration  
25 creating a condominium under ORS 100.100.

26 “(19) ‘Limited common elements’ means those common elements desig-  
27 nated in the declaration, as reserved for the use of a certain unit or number  
28 of units, to the exclusion of the other units.

29 “(20) ‘Majority’ or ‘majority of unit owners’ means more than 50 percent  
30 of the voting rights allocated to the units by the declaration.

1 “(21) ‘Mortgagee’ means any person who is:

2 “(a) A mortgagee under a mortgage;

3 “(b) A beneficiary under a trust deed; or

4 “(c) The vendor under a land sale contract.

5 “(22) ‘Negotiation’ means any activity preliminary to the execution by  
6 either developer or purchaser of a unit sales agreement, including but not  
7 limited to advertising, solicitation and promotion of the sale of a unit.

8 “(23) ‘Nonwithdrawable property’ means property which pursuant to ORS  
9 100.150 (1)(b):

10 “(a) Is designated nonwithdrawable in the declaration and on the plat;  
11 and

12 “(b) Which may not be withdrawn from the condominium without the  
13 consent of all of the unit owners.

14 “(24) ‘Operating account’ means an account established and maintained  
15 by the association of unit owners, as required by section 14 of this 2013 Act,  
16 to hold moneys of the association other than moneys the association is re-  
17 quired to hold in a reserve account.

18 “(25) ‘Percent of owners’ or ‘percentage of owners’ means the percent of  
19 the voting rights determined under ORS 100.525.

20 “(26) ‘Purchaser’ means an actual or prospective purchaser of a condo-  
21 minium unit pursuant to a sale.

22 “(27) ‘Recording officer’ means the county officer charged with the duty  
23 of filing and recording deeds and mortgages or any other instruments or  
24 documents affecting the title to real property.

25 “(28) **‘Records of an association’ or ‘records kept by or on behalf of**  
26 **an association’ means information that is prepared, owned, used or**  
27 **retained by a member of the board of directors of an association of**  
28 **unit owners, or members of a committee formed by the association,**  
29 **in the course of exercising responsibilities to the condominium, in-**  
30 **cluding information:**

1       “(a) Provided to or by a member of the board, or a committee  
2 formed by the association, concerning matters of the association;

3       “(b) Submitted to a member of the board, or a committee, consid-  
4 ering the adoption of policies; and

5       “(c) Documenting communications to or from a member of the  
6 board, or a committee, concerning policies or practices of the associ-  
7 ation.

8       “[(28)] (29) ‘Reservation agreement’ means an agreement relating to the  
9 future sale of a unit which is not binding on the purchaser and which grants  
10 purchaser the right to cancel the agreement without penalty and obtain a  
11 refund of any funds deposited at any time until purchaser executes a unit  
12 sales agreement.

13       “[(29)] (30) ‘Reserve account’ means an account established and main-  
14 tained by the association of unit owners, as required by section 14 of this  
15 2013 Act, to hold moneys of the association that the association is required  
16 to hold as reserves.

17       “[(30)] (31) ‘Sale’ includes every disposition or transfer of a condominium  
18 unit, or an interest or estate therein, by a developer, including the offering  
19 of the property as a prize or gift when a monetary charge or consideration  
20 for whatever purpose is required by the developer. ‘Interest or estate’ in-  
21 cludes a lessee’s interest in a unit for more than three years or less than  
22 three years if the interest may be renewed under the terms of the lease for  
23 a total period of more than three years. ‘Interest or estate’ does not include  
24 any interest held for security purposes or a timeshare regulated or otherwise  
25 exempt under ORS 94.803 and 94.807 to 94.945.

26       “[(31)] (32) ‘Special declarant right’ means any right, in addition to the  
27 regular rights of the declarant as a unit owner, reserved for the benefit of  
28 or created by the declarant under the declaration, bylaws or the provisions  
29 of this chapter.

30       “[(32)] (33) ‘Staged condominium’ means a condominium which provides

1 for annexation of additional property pursuant to ORS 100.115 and 100.120.

2 “[~~33~~] **(34)** ‘Successor declarant’ means the transferee of any special  
3 declarant right.

4 “[~~34~~] **(35)** ‘Termination date’ means that date described in ORS 100.105  
5 (2)(b) or (7)(d).

6 “[~~35~~] **(36)** ‘Transitional committee’ means the committee provided for  
7 under ORS 100.205.

8 “[~~36~~] **(37)** ‘Turnover meeting’ means the meeting provided for under ORS  
9 100.210.

10 “[~~37~~] **(38)** ‘Unit’ or ‘condominium unit’ means a part of the property  
11 which:

12 “(a) Is described in ORS 100.020 (3);

13 “(b) Is intended for any type of independent ownership; and

14 “(c) The boundaries of which are described pursuant to ORS 100.105 (1)(d).

15 “[~~38~~] **(39)** ‘Unit designation’ means the number, letter or combination  
16 thereof designating a unit in the declaration and on the plat.

17 “[~~39~~] **(40)** ‘Unit owner’ means, except to the extent the declaration or  
18 bylaws provide otherwise, the person owning fee simple interest in a unit,  
19 the holder of a vendee’s interest in a unit under a recorded installment  
20 contract of sale and, in the case of a leasehold condominium, the holder of  
21 the leasehold estate in a unit.

22 “[~~40~~] **(41)** ‘Unit sales agreement’ means a written offer or agreement for  
23 the sale of a condominium unit which when fully executed will be binding  
24 on all parties. ‘Unit sales agreement’ includes but is not limited to an ear-  
25 nest money receipt and agreement to purchase and other such agreements  
26 which serve as an agreement of sale for a cash transaction or which are  
27 preliminary to the execution of an installment contract of sale, but does not  
28 include a reservation agreement.

29 “[~~41~~] **(42)** ‘Variable property’ means property described in ORS 100.150  
30 (2) and designated as variable property in the declaration and on the plat.



1        “[~~(42)~~] **(43)** ‘Voting rights’ means the portion of the votes allocated to a  
2 unit by the declaration in accordance with ORS 100.105 (1)(j).”.

3        In line 11, delete “and 15” and insert “, 15 and 15a”.

4        On page 22, after line 23, insert:

5        **“SECTION 15a. (1) Notwithstanding contrary provisions of the dec-**  
6 **laration and bylaws of a condominium, the association of unit owners,**  
7 **and the declarant during any period of declarant control, may not**  
8 **prohibit a unit owner or occupant of a unit from displaying a sign**  
9 **based on the content of the sign:**

10        **“(a) From within the unit;**

11        **“(b) In a space assigned to the unit;**

12        **“(c) In a limited common element with the written approval of the**  
13 **unit owner of each unit to which use of the limited common element**  
14 **is reserved; or**

15        **“(d) On any other property or structures in the condominium that**  
16 **are under the exclusive use and occupancy of the owner or occupant.**

17        **“(2) An association of unit owners may impose reasonable re-**  
18 **strictions on the number and size of signs or the time period during**  
19 **which signs may be displayed.”.**

20        On page 32, after line 14, insert:

21        **“SECTION 20a.** ORS 100.480, as amended by section 20 of this 2013 Act,  
22 is amended to read:

23        “100.480. (1) An association of unit owners shall retain within this state  
24 the documents, information and records delivered to the association under  
25 ORS 100.210 and all other records of the association for not less than the  
26 period specified for the record in ORS 65.771 or any other applicable law,  
27 except that:

28        **“(a) The documents specified in ORS 100.210 (5)(j), if received, must be**  
29 **retained as permanent records of the association.**

30        **“(b) Proxies and ballots must be retained for one year from the date of**

1 determination of the vote, except proxies and ballots relating to an amend-  
2 ment to the declaration, supplemental declaration plat, supplemental plat or  
3 bylaws must be retained for one year from the date the amendment is re-  
4 corded.

5 “(2) The association of unit owners shall keep financial records, including  
6 all records of association accounts, that are sufficient for proper accounting  
7 purposes.

8 “(3) Within 90 days after the end of the fiscal year, the board of directors  
9 shall:

10 “(a) Prepare or cause to be prepared an annual financial statement con-  
11 sisting of a balance sheet and income and expenses statement for the pre-  
12 ceding fiscal year; and

13 “(b) Distribute to each unit owner a copy of the annual financial state-  
14 ment.

15 “(4) Subject to section 26, chapter 803, Oregon Laws 2003, the association  
16 of unit owners of a condominium that has annual assessments greater than  
17 \$75,000 and less than \$500,000 shall cause the financial statement required  
18 under subsection (3) of this section to be reviewed in the manner required  
19 by subsection (8) of this section within 180 days after the end of each fiscal  
20 year.

21 “(5) Subject to section 26, chapter 803, Oregon Laws 2003, the association  
22 of unit owners of a condominium that has annual assessments of \$75,000 or  
23 less shall cause the most recent financial statement required by subsection  
24 (3) of this section to be reviewed:

25 “(a) In the manner required by subsection (8) of this section; and

26 “(b) Within 180 days after the board of directors receives the petition  
27 signed by at least a majority of the owners that requests review of the most  
28 recent financial statement required by subsection (3) of this section.

29 “(6) The association of unit owners of a condominium that has annual  
30 assessments of \$500,000 or more shall cause the financial statement required

1 under subsection (3) of this section to be audited within 180 days after the  
2 end of each fiscal year in the manner required by subsection (8) of this sec-  
3 tion.

4 “(7) An association of unit owners subject to the review requirements of  
5 subsection (4) of this section may elect, on an annual basis, not to comply  
6 with the requirements by an affirmative vote of at least 60 percent of the  
7 owners, not including the votes of the declarant with respect to units owned  
8 by the declarant.

9 “(8) The review of financial statements required under subsection (4) or  
10 (5) of this section and the audits required under subsection (6) of this section  
11 must be performed, in accordance with standards issued by the American  
12 Institute of Certified Public Accountants, by an independent certified public  
13 accountant licensed in Oregon.

14 “(9)(a) The association shall provide, within 10 business days of receipt  
15 of a written request from an owner, a written statement that provides:

16 “(A) The amount of assessments due from the owner and unpaid at the  
17 time the request was received, including:

18 “(i) Regular and special assessments;

19 “(ii) Fines and other charges;

20 “(iii) Accrued interest; and

21 “(iv) Late payment charges.

22 “(B) The percentage rate at which interest accrues on assessments that  
23 are not paid when due.

24 “(C) The percentage rate used to calculate the charges for late payment  
25 or the amount of a fixed charge for late payment.

26 “(b) The association is not required to comply with paragraph (a) of this  
27 subsection if the association has commenced litigation by filing a complaint  
28 against the owner and the litigation is pending when the statement would  
29 otherwise be due.

30 “[10)(a) *Except as provided in paragraph (b) of this subsection, the docu-*

1 *ments, information and records described in subsections (1) to (3) of this sec-*  
2 *tion and all other records of the association of unit owners must be reasonably*  
3 *available for examination and, upon written request, available for duplication*  
4 *by a unit owner and any mortgagee of a unit that makes the request in good*  
5 *faith for a proper purpose.]*

6 **“(10)(a) An association of unit owners, and the declarant during any**  
7 **period of declarant control, may not make information confidential**  
8 **or exempt from disclosure to unit owners that is not made confidential**  
9 **or exempt from disclosure by ORS chapter 100.**

10 **“(b) Except as provided in paragraph (c) of this subsection, the as-**  
11 **sociation shall make the documents, information and records de-**  
12 **scribed in subsections (1) to (3) of this section and all other records**  
13 **of the association reasonably available for examination and, upon**  
14 **written request, including written requests by electronic mail, fac-**  
15 **simile or other electronic communications, available for duplication**  
16 **by a unit owner and any mortgagee of a unit that makes the request**  
17 **in good faith for a proper purpose.**

18 **“[(b)] (c) Records kept by or on behalf of the association may be withheld**  
19 **from examination and duplication to the extent the records concern:**

20 **“(A) Personnel matters relating to a specific identified person or a**  
21 **person’s medical records.**

22 **“(B) Contracts, leases and other business transactions that are currently**  
23 **under negotiation to purchase or provide goods or services.**

24 **“(C) Communications with legal counsel that relate to matters specified**  
25 **in subparagraphs (A) and (B) of this paragraph and the rights and duties of**  
26 **the association regarding existing or potential litigation or criminal matters.**

27 **“(D) Disclosure of information in violation of law.**

28 **“(E) Documents, correspondence or management or board reports com-**  
29 **plied for or behalf of the association or the board of directors by its agents**  
30 **or committees for consideration by the board of directors in executive session**

1 held in accordance with ORS 100.420 (1) and (2).

2 “(F) Documents, correspondence or other matters considered by the board  
3 of directors in executive session held in accordance with ORS 100.420 (1) and  
4 (2).

5 “(G) Files of individual owners, other than those of a requesting owner  
6 or requesting mortgagee of an individual owner, including any individual  
7 owner’s file kept by or on behalf of the association.

8 “(11) The association of unit owners shall maintain a copy, suitable for  
9 the purpose of duplication, of the following:

10 “(a) The declaration and bylaws, including amendments or supplements  
11 in effect, the recorded plat, if feasible, and the association rules and regu-  
12 lations currently in effect;

13 “(b) The most recent annual financial statement prepared in accordance  
14 with subsection (3) of this section;

15 “(c) The current operating budget of the association;

16 “(d) The reserve study, if any, described in ORS 100.175; and

17 “(e) Architectural standards and guidelines, if any.

18 “(12) The association, within 10 business days after receipt of a written  
19 request by an owner, shall furnish the requested information required to be  
20 maintained under subsection (11) of this section.

21 “(13) The board of directors, by resolution, may adopt reasonable rules  
22 governing the frequency, time, location, notice and manner of examination  
23 and duplication of association records and the imposition of a reasonable fee  
24 for furnishing copies of any documents, information or records described in  
25 this section. The fee may include reasonable personnel costs incurred to  
26 furnish the information.

27 “(14) Subsection (3) of this section first applies to property submitted to  
28 the provisions of this chapter before January 1, 1982, when the board of di-  
29 rectors of the association of unit owners receives a written request from at  
30 least one unit owner that a copy of the annual financial statement be dis-

1 tributed in accordance with subsection (3) of this section.”.

2 After line 25, insert:

3 **“SECTION 22. Sections 4a and 15a of this 2013 Act and the amend-**  
4 **ments to ORS 94.550, 94.670, 100.005 and 100.480 by sections 1a, 8a, 12a**  
5 **and 20a of this 2013 Act become operative on March 1, 2014.”.**

6

---