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DECLARATION OF CONDOMINIUM OWNERSHIP FOR STATE STREET CONDOMINIUMS

Dated: February 16, 2006

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CONDOMINIUM DECLARATION FOR
STATE STREET CONDOMINIUMS

This Declaration submits to the provisions, restrictions and limitations of the Oregon Condominium Act the real property hereinafter described (the "Real Property") and all improvements now existing or to be constructed on such real property, to be known as State Street Condominiums.

Recitals, Intent and Purpose

State Street Condominiums, LLC ("Declarant") is the owner in fee simple of the Real Property described herein below, and desires to submit the Real Property to the Condominium form of ownership, to be converted, used, and owned in the manner provided by the Oregon Condominium Act.

NOW, THEREFORE,

Declaration

Declarant hereby declares on behalf of itself, its successors, grantees, and assigns, as well as to any and all persons having, acquiring or seeking to have or acquire any interest of any nature whatsoever in and to any part of the Real Property, as follows:

1. ***Definitions***. Except as otherwise provided or modified by this Section, the terms contained herein shall have the meaning set forth in the Oregon Condominium Act, ORS 100.005 et seq., and said statute and its definitions are incorporated by reference herein. As used in this Declaration and in the bylaws (the "Bylaws") of the State Street Condominiums Homeowner's Association (the "Association"), the following terms shall have the following meanings:

1.1 *Association* shall mean and refer to the State Street Condominiums Homeowner's Association which shall be an Oregon nonprofit corporation.

1.2 *Condominium* means the Real Property, all buildings and structures constructed thereon, and all improvements made thereto, and all easements, rights, and appurtenances belonging thereto, all of which are hereby submitted to the provisions of the Oregon Condominium Act.

1.3 *Mortgage* means a recorded first mortgage, first deed of trust, or first contract of sale that creates a first lien against a Unit, and *Mortgagee* means the holder, beneficiary or vendor of such a mortgage, deed of trust or contract of sale, but only when such

holder, beneficiary or vendor notifies the Association in writing of the existence of such mortgage and gives the Association a current name and mailing address.

1.4 *Parking Space* means a space located on the ground within "Building 2 Covered Parking" as shown the Plat (as hereinafter defined) and identified on the Plat as a space marked "Parking."

1.5 *Unit* means the airspace encompassed by the undecorated interior surface of the perimeter walls, floors and ceilings which is owned in fee simple by each owner of a Condominium Unit and which is more specifically described in Section 3.2 of this Declaration. Provided, however, "Unit" shall not include the Parking Space.

2. ***Real Property Description***. The Real Property that is submitted hereunder to the Oregon Condominium Act is located in Clackamas County, Oregon, and is more particularly described on the attached Exhibit A. Each owner shall hold fee simple title to the Unit and common elements pertaining thereto when such property is conveyed to the owner by Declarant. Prior to such conveyance, Declarant shall hold fee simple title to all Units and the appertaining common elements.

3. ***Name and Unit Description***.

3.1 Name. The name by which the Real Property hereunder shall be known is State Street Condominiums.

3.2 Boundaries of Units. Each Unit shall be bounded by the interior surfaces of its perimeter walls, floors, ceilings, windows and window frames, doors and door frames, and trim. The Units shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of its finished surfaces and the exterior surfaces so described, except those portions of the walls, floors or ceilings that materially contribute to the structural or shear capacity of the Condominium. All other portions of the exterior walls, floors or ceilings shall be a part of the common elements. In addition, each Unit shall include the following:

a. All spaces, nonbearing interior partitions, windows, window frames, exterior doors, door frames, and all other fixtures and improvements within the boundaries of the Unit; and

b. All outlets of utility service lines, including, but not limited to, power, light, gas, hot and cold water, heating, refrigeration, air-conditioning and waste disposal within the boundaries of the Unit, but shall not include any part of such lines or ducts themselves.

In interpreting deeds, mortgages, deeds of trust, and other instruments, for any purpose whatsoever or in connection with any matter, the existing physical boundaries of a Unit

or of a Unit reconstructed in substantial accordance with the original plans hereof shall be conclusively presumed to be the boundaries regardless of settling, rising, or lateral movement of the building and regardless of variances between boundaries as shown on the plat being recorded simultaneously with this Declaration (the "Plat") and those of the actual building or buildings.

3.3 Building Description and Unit Designation. The Real Property has two buildings thereon. As shown on the Plat, the Units are located at 210 State Street, Lake Oswego, in Clackamas County, Oregon and are located in one building 2 stories above grade, with a common basement level, of wood frame construction and concrete masonry, with a composition roof. The vertical and horizontal boundaries, number designation, location, and dimension of each unit and Parking Space are shown on the Plat.

a. The ground floor of the main building (marked "Building 1" on the Plat) consists of two separate wings which are connected by a breezeway, only on the ground level, that has a wall and door along one side (facing State Street), and leads to a courtyard between the two wings of the building. Entry to Units 4 and 7 is from State Street; entry to Units 5 and 6 is through doors leading into the breezeway; entry to all other units is from the courtyard. The second level of the building is approximately "U-shaped" and is continuous (portions of Units 5 and 6 abut each other above the breezeway on this second level). The basement level contains a common hallway. Each Unit has a basement level, a ground level and a second-floor level. All Units have 2 bedrooms and 1 bathroom on the second-floor level. Units 1, 2, 3, 8, 9, and 10 each have a one-half bathroom on the ground floor level. Access to the second floor portions of all Units is by stairs wholly contained within the respective Units. Access to the basement level portions of Units 5, 6, and 10 is by stairs wholly contained within those respective Units. Units 1 and 2 access the basement portions of their Units via stairs that are contained within those respective units, but the owners of Units 1 and 2 must exit their units into a vestibule (which is a limited common element associated only with Units 1 and 2) to gain access to those stairs. Units 3, 4, 7, 8, and 9 access the basement portions of their Units via stairs that are shared (and are general common elements).

b. Apart from the main building, and not abutting it, is a detached carport (marked as "Building 2" on the Plat) which is also of wood frame construction with a composition roof, and contains 8 Parking Spaces. The detached carport is one story above grade with no basement and the carports contained therein do not have doors. The detached carport building itself is a general common element. The Parking Spaces are limited common elements which are assigned to the Units as shown on Exhibit B.

The allocation to each Unit of an undivided interest in the common elements was determined by dividing the sum of the approximate floor space of all Units into the approximate floor space of each respective Unit.

The numerical designation, approximate square footage area, and percentage of ownership in common elements of each Unit are as follows:

Unit No.	Approximate Area In Square Feet	Percentage of Ownership Interest in Common Elements
1	1652	11.68%
2	1575	11.13%
3	1492	10.55%
4	1167	8.25%
5	1266	8.95%
6	1202	8.5%
7	1167	8.25%
8	1492	10.55%
9	1514	10.70%
10	1621	11.46%
Total	14148	100%

4. ***General Common Elements.***

4.1 Definition. The general common elements consist of all portions of the Condominium that are not part of a Unit or a limited common element, including, without limitation, the following:

a. The land;

b. The foundations, columns, girders, beams, supports, bearing walls, main walls, roofs, halls, corridors, lobbies, stairs, fire escapes, entrances, and exits of the building;

c. The breezeway, courtyard, sidewalks, and parking areas to the extent that they are not limited common element Parking Spaces, and basement spaces to the extent that they are not part of a specific Unit;

d. Installations of central services, such as power, light, gas, hot and cold water, heating, refrigeration, air-conditioning, waste disposal, and incinerators, up to the outlets within any Units;

e. The elevators, tanks, pumps, heat pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use;

f. The detached carport building (shown as "Building 2 Covered Parking Carport" on the Plat), its walls, roof, foundation and any other part that is not a Parking Space;

g. All other elements of any building that are necessary or convenient to its existence, maintenance or safety or that are normally in common use.

4.2 Maintenance, Repair, and Replacement of General Common Elements; Liability for Common Expense. Except as otherwise specifically provided in this Declaration, the cost of maintenance, repair, and replacement of the general common elements shall be a common expense, and the performance of such work shall be the responsibility of the Association, except that any damage caused by the negligence or intentional act of an owner or the owner's invitee, guest, tenant, or servant shall be repaired by the Association at such owner's sole cost and expense. Although repair, maintenance, and replacement of doors and door frames and windows and window frames shall be the responsibility of individual owners, exterior painting shall be the responsibility of the Association. Common expenses shall be assessed and apportioned among the owners as set forth in Section 10.6 of this Declaration.

4.3 Income from General Common Elements. Income derived from the common elements, if any, shall be the property of the Association. The Board of Directors may, in its discretion, use such income to help meet the expense of maintaining the common elements or for such other purpose as may benefit the Association and the Unit Owners in a substantially equal manner.

5. ***Limited Common Elements.*** The following shall constitute limited common elements, the use of which shall be restricted to the Units to which they pertain:

5.1 Definition. Each of the Parking Spaces is a limited common element appertaining to the Units as set forth on Exhibit B. A Parking Space is defined as a space designated on the asphalt inside the structure shown on the Plat as "Building 2 Covered Parking Carport," each containing the area in square feet shown on the attached Exhibit B. All Units except 4 and 5 will be assigned Parking Spaces. Parking Spaces may not be transferred independently of the Units to which they pertain.

5.2 Maintenance, Repair and Replacement of Limited Common Elements; Liability for Common Expense. Except as otherwise specifically provided in this Declaration, the cost of maintenance, repair, and replacement of the limited common elements shall be a common expense, which shall be assessed and apportioned pursuant to Section 10.6 of this Declaration, and the performance of such work shall be the responsibility of the Association, except that any damage caused by the negligence or intentional act of an owner or the owner's invitee, guest, tenant or servant shall be repaired by the Association at such owner's sole cost and expense.

6. ***Parking Spaces.***

6.1 Parking Spaces. Only the owner of a Unit may own a Parking Space, and such Parking Space shall be used in conjunction with the use of such Unit. Except for Units 4 and 5, each Unit has a Parking Space associated with it as a limited common element, as more particularly set forth in Section 5 of this Declaration. Unless permission to the contrary is requested of and provided by the Board of Directors, the occupants of any Unit shall park no more than 1 vehicle at the Condominium. Occupants of the Unit shall register their vehicles with the Board of Directors or its designee.

6.2 General Common Element Parking. Any unnumbered or undesignated parking spaces are general common elements and shall be available for the use of owners and their guests. The general common element parking shall be used in accordance with rules and regulations promulgated by the Board of Directors.

7. ***Voting.*** The owner or co-owners of each Unit shall be entitled to one vote per Unit. No voting rights shall appertain to any Parking Spaces. *Majority* or *Majority of Unit Owners* shall mean the owners of more than 50% of the voting rights allocated to the Units by the Declaration. The calling and conducting of meetings of the Association and the exercise of voting rights shall be controlled by Articles 2 and 3 of the Bylaws.

8. ***Use of Property.***

8.1 General. Each Unit shall be used for residential purposes only. The common elements shall be used for furnishing of services and facilities to the Unit owners. Every Unit owner shall have an easement to enjoy and use the general common elements in the manner for which they were intended. Additional restrictions and regulations shall be set forth in the Bylaws and rules or regulations adopted pursuant to the provisions of the Bylaws.

8.2 Rules and Regulations Promulgated by the Association. The Board of Directors shall have the authority from time to time to promulgate such rules and regulations as the Board may deem to be in the best interest of the Association. No person shall use the common elements, the Units, or any part thereof in any manner contrary to or inconsistent with such rules and regulations. Without limiting the generality of the foregoing, the Board of Directors shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the common elements to the members of the Association and their respective families, guests, invitees, and servants. Such use may be conditioned on, among other things, (a) the payment by the Unit owner of assessments for common expenses and such other assessments or fees as may be established by the Association for the purpose of defraying the costs associated with the use of such common elements and the administration and operation of the Condominium property; and (b) the observance by the Unit owner and the owner's guests, invitees and servants of the provisions of the Declaration, the Bylaws, and the Association's rules and regulations of the Bylaws or this Declaration. The Board of Directors shall have the

authority to fine owners who are not in compliance with the rules and regulations. The amount and the procedure to impose such fines shall be established by Board resolution.

8.3 Rights of Ingress and Egress. Each Unit owner shall have a perpetual right of ingress and egress to and from the owner's Unit. This right shall pass to all successors in interest to the Unit when the Unit is transferred voluntarily, involuntarily, or by operation of law. Any attempt to transfer voluntarily or involuntarily any common element ownership interest separately from the transfer of the Unit to which such interest pertains shall be void.

9. ***Contracts and Leases***. All contracts or leases that are entered into before the turnover meeting (including any management contract) shall be terminable without penalty by the Association or the Board of Directors on not less than 30 days' prior written notice to the other party by the Association given not later than 60 days after the turnover meeting. Provided, however, that any such contracting or leasing party may request the Association to affirm the continuation of any such agreement for the balance of its stated term. Affirmation by the Association after transfer of control shall extinguish all termination rights of the Association under this Section 9.

10. ***Bylaws; Association; Management.***

10.1 Adoption of Bylaws. On behalf of the Association, the Declarant hereby adopts the Bylaws attached hereto as Exhibit C to govern the administration of the Condominium. The Bylaws shall be effective on the execution and recording of the Bylaws and this Declaration.

10.2 Association; Membership. The name of the Association shall be the State Street Condominiums Homeowner's Association. The Association shall operate under the name State Street Condominiums Homeowner's Association or a name as close to that name as is permitted by the Oregon Secretary of State. Each owner of a Unit in the Condominium shall be a member of the Association, and membership therein shall be limited to Unit owners only. The Association, which shall be organized on the recording of the Declaration and the Bylaws, shall serve as a means through which the Unit owners may take action with regard to the administration, management and operation of the Condominium. The Association shall be an Oregon nonprofit corporation.

10.3 Management; Board of Directors. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws. The Board of Directors shall elect officers consisting of a chairperson, secretary and treasurer, and such other officers as the Board of Directors deems prudent or convenient. Pursuant to the provisions of the Bylaws and the Oregon Condominium Act, the Board of Directors may adopt administrative rules and regulations governing details of the operation, maintenance and use of the Condominium property. The Board of Directors may contract with a professional manager or management firm to manage some or all of the affairs of the Association.

10.4 Interim Board and Officers. Declarant has reserved control over the administration of the Association by reserving the right in the Bylaws to appoint an interim Board of Directors to manage the Condominium until the turnover meeting. The turnover meeting shall be held within 90 days after the earlier of the following dates: (i) the date on which 50% of the Units in the Condominium have been conveyed to persons other than the Declarant, or (ii) the date on which 3 years have elapsed since the date of the first conveyance of a Unit in the Condominium to a person other than the Declarant. The 1 to 3 members of the interim board shall also serve as the interim officers.

10.5 Powers and Duties of the Association. The Association and the Board of Directors shall have the powers and duties granted to them by this Declaration, the Articles of Incorporation for the Association, the Bylaws, and ORS 100.405(4) and all other provisions of the Oregon Condominium Act.

10.6 Covenant to Pay Assessments; Liability for Common Expense. Each owner hereby covenants to pay to the Association assessments for common expenses as more fully provided in the Bylaws. No owner may avoid liability for assessments by abandonment of his or her Unit or nonuse of the common elements. Except as otherwise provided in this Declaration or the Bylaws, each Unit and the owner thereof shall be liable for the common expense and funding of the replacement reserves, both of which shall be apportioned among the Units based on each Unit's percentage ownership in the common elements allocated to such Unit. Certain services provided through the Association, such as basic cable television service, may be billed on a per-Unit basis rather than on the basis of percentage ownership. No offset against any assessment shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties. Assessments shall be levied against all Units not later than the first day of the month next following the date when the first Unit is conveyed to a person other than the Declarant.

10.7 Delegation. Nothing in this Declaration shall be construed to prohibit the Association or the Board of Directors from delegating to persons, firms or corporations of its choice the performance of such duties as may be imposed upon the Association or the Board of Directors by this Declaration, Articles of Incorporation, the Bylaws, Association rules or regulations, or applicable law.

11. ***Service of Process***. The designated agent to receive service of process in cases set forth in ORS 100.550(1) shall be named in the Condominium Information Report, which shall be filed with the Oregon Real Estate Agency in accordance with ORS 100.250(1).

12. ***Mortgagees***. In the event of a conflict between this Section 12 and other provisions of this Declaration, the provisions of this Section 12 shall prevail. The terms *Mortgage* and *Mortgagee* are defined in Section 1 of this Declaration.

12.1 Notice of Action. On the written request of a Mortgage holder, insurer or guarantor to the Association, identifying the name and address of such person and the number or address of the Unit on which a Mortgage has been placed, such Mortgagee, insurer, or guarantor shall be entitled to timely notice of the following:

a. Any condemnation loss or casualty loss that affects either a material portion of the Condominium or any Unit securing its Mortgage;

b. Any 60-day delinquency in the payment of assessments or charges owed by an owner of any Unit on which it holds a Mortgage;

c. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association;

d. Any proposed action that would require the consent of a specified percentage of eligible Mortgage holders.

12.2 Mortgagee Exempt from Certain Restrictions. Any Mortgagee that comes into possession of the Unit pursuant to the remedies provided in the Mortgage, by foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal" or other restriction on the sale or rental of the mortgaged Unit, including, but not limited to, restrictions on the age of Unit occupants and restrictions on the posting of signs pertaining to the sale or rental of the Unit. Provided, however, that Mortgagees shall not be exempt from the restriction that Units cannot be rented for periods of less than 30 days.

12.3 Subordination of Association Lien to Mortgage; Discharge of Lien Upon Foreclosure. The lien of the Association shall be subordinate to any first Mortgage. Any first Mortgagee that comes into possession of the Unit pursuant to the remedies provided in the Mortgage, by foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure, and any purchaser at the foreclosure sale of a first Mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue before such Mortgagee comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units, including the mortgaged Unit).

12.4 Professional Management. On the written request of holders of first Mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium, the Board of Directors shall employ a professional manager to manage the affairs of the Association. Without the prior written approval of the holders of first Mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium, the Association may not terminate professional management and assume self-management of the Condominium. Additionally, if professional management has previously been required by any Mortgage holder, any decision to establish self-management shall require prior consent of the owners of Units to which 67% of the

votes in the Association are allocated. Any agreement for professional management shall provide that the management contract may be terminated for cause on 30 days' written notice.

12.5 Consent of Mortgagees to Change Percentage Ownership in Common Elements. The Unit owners may not reallocate the percentage of interest in the common elements attributable to any Unit without the prior written approval of holders of first Mortgages that represent at least 51% of the votes of mortgaged Units with respect to which the percentage ownership is proposed to be altered. Nothing in this Section 12.5 shall be construed to give the owners, the Association, or the Board of Directors any specific authority to alter such percentage of ownership and, if any attempt is made to do so, full compliance shall be made with the Declaration, the Association's Articles of Incorporation, Bylaws and the Oregon Condominium Act.

12.6 Consent of Mortgagees Required to Terminate Project. Except with respect to termination of the Condominium as a result of destruction, damage or condemnation, any termination of the Condominium shall require the written approval of holders of first Mortgages that represent at least 67% of the votes of mortgaged Units in the Condominium. Provided, however, such consent will be deemed given if a Mortgagee does not object in writing within 30 days after notice of the proposed termination. Additionally, any such terminations shall be carried out by owners pursuant to provisions of the Declaration, the Association's Articles of Incorporation, the Bylaws, and the Oregon Condominium Act and shall be carried out only after vote of the owners, as provided in such provisions.

12.7 Limited Right of Amendment. Except on the written approval of holders of first Mortgages that represent at least 51% of the votes of Mortgaged Units in the Condominium, no amendment that adds to or amends any material provision that establishes, provides for, governs, or regulates any of the following may be made to the Declaration or the Bylaws:

a. Voting rights;

b. Increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of common elements;

c. Reductions in reserves for maintenance, repair, and replacement of common elements;

d. Responsibility for maintenance and repairs;

e. Reallocation of interests in the general or limited common elements, or rights to their use;

f. Redefinition of any Unit boundaries;

g. Convertibility of Units into common elements or vice versa;

h. Expansion or contraction of the Condominium project, or the addition, annexation, or withdrawal of property to or from the Condominium project;

i. Hazard or fidelity insurance requirements;

j. Imposition of any restrictions on the leasing of Units;

k. Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;

l. Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the documents; or

m. Any provisions that expressly benefit Mortgage holders, insurers, or guarantors.

The provisions of this Section are intended to limit only the right of the Unit owners, the Board of Directors, and the Association to amend the Declaration and the Bylaws, and are not intended to give any such parties any specific rights to effect any amendments. Any amendments to the Declaration of the Bylaws shall be made only on full compliance with the provisions of the Declaration, the Bylaws, and the Oregon Condominium Act relating to the procedure and percentage of votes required for such amendment. An addition or amendment to the Declaration or the Bylaws shall not be considered to be material so as to require the consent or approval of Mortgagees if its purpose is to correct technical errors or to clarify unclear language.

12.8 Request for Approval of Mortgagees. Any Mortgagee that receives a written request to approve additions or amendments to the Declaration or the Bylaws, or any other action to be taken by the Board of Directors, the Association or Unit owners shall be considered to have given such approval unless such Mortgagee delivers or posts a negative response within 30 days after receipt of such request.

12.9 Proxy Held by Mortgagee in Certain Cases. If a Mortgagee reasonably believes that the Association has failed to maintain the common elements so as to prevent excessive wear and tear, such Mortgagee may attend a meeting of the Association and may cast the vote of the Mortgagor of the Unit on which such Mortgagee holds a Mortgage if the proposal under consideration concerns painting or otherwise maintaining the common elements, including imposing special assessments necessary to pay for such maintenance. Provided, however, such right shall arise only in the event the Mortgagee reasonably believes the Association has failed to maintain the common elements in sufficient manner to prevent excessive wear and tear.

12.10 Right to Examine Documents. The Association shall make available to Unit owners, lenders, and Mortgagees current copies of the Declaration, the Bylaws, the Articles of Incorporation, other rules concerning the Condominium, and the books, records and financial statements of the Association. The Association shall have the right to impose a reasonable charge for any copies requested by owners, lenders, or Mortgagees.

12.11 Right to Receive Annual Reports. The holder of any Mortgage on a Unit in the Condominium shall be entitled to have an audited financial statement prepared at their expense if such statement is not otherwise available. The Association and its officers, directors and manager (if any) shall cooperate with such Mortgage holders and their auditors to facilitate the necessary auditing and review process. Such financial statement shall be furnished within a reasonable time following request.

12.12 Right to Receive Written Notice of Meetings. On a Mortgagee's written request, the Association shall give all Mortgagees written notice of all meetings of the Association, and such Mortgagees shall be permitted to designate a representative to attend all such meetings.

12.13 List of Mortgagees. The Association shall maintain at all times a list of Mortgagees who have given the Association notice on any matter described in Section 12 of this Declaration, which list shall include their names, addresses, the Units, and mortgagors affected, and the matters with respect to which such Mortgagees have requested notice, provided that such information has been furnished to the Association by the owners or their Mortgagees.

13. ***Amendments to Declaration***. Except when a larger percentage of approval is required by law, this Declaration may be amended from time to time by approval of Unit owners holding 75% or more of the voting rights as otherwise set forth in this Declaration. Provided, however, that this Declaration shall not be amended to reduce or eliminate the rights of any Mortgagee without all such Mortgagees' prior written consent.

13.1 Declarant's Approval Required. Declarant's prior written consent shall be required for any amendment to this Declaration until the expiration of the period of developer control as provided by ORS 100.200 and Section 3.3 of the Bylaws. Provided, however, that even thereafter, no amendment may limit or reduce any Declarant's special rights, whether reserved herein or otherwise provided by law. No amendment may change the size, location, percentage of interest in the common elements, method of determining liability for common expenses, right to common profits, or voting power of any Unit(s) unless such amendment has been approved by the owners and the Mortgagees of the affected Unit(s).

13.2 Recordation/County Assessor and Commissioner Approval Required. An amendment to the Declaration shall be effective on recordation in the Deed Records of Clackamas County, Oregon, certified to by the chairperson and secretary of the Association and approved by the County Assessor and the Real Estate Commissioner. Approval by the

Commissioner shall not be required for an amendment to a declaration transferring the right of use of a limited common element pursuant to ORS 100.515(5).

14. ***Subdivision***. No Unit may be subdivided into divisions of any nature.

15. ***Relocation of Boundaries***. The owner or owners of any two adjoining Condominium Units may apply to the Board of Directors of the Association for permission to change the sizes of their Units by adjusting the common boundary between the two Condominium Units or to consolidate the two Condominium Units into one Unit by deleting the common boundary. Any such application shall identify the Condominium Units involved, state any reallocations of the affected Unit's interest in common elements, or of Unit owners' voting rights, liability for common expense, and right to receive common profits. The Board of Directors shall approve such an application unless it determines that the proposed reallocations are unreasonable or that the proposed relocation or deletion would impair the structural integrity or mechanical systems of the Condominium or would reduce the support of any portion of the Condominium. If approved, a proposed change would become effective on recording in the appropriate records of Clackamas County, Oregon, of an amendment to this Declaration and of a floor plan, both setting forth the proposed change, executed by the owners and Mortgagees of the affected Condominium Units and certified to by the chairperson and secretary of the Association, together with any governmental approvals required by law. All costs in connection with such amendments shall be paid by the applicants.

16. ***Authority to Grant Easements, Rights of Way, Licenses, and Other Similar Interests/Encroachments***.

16.1 General. The Association shall have the authority to execute, acknowledge, deliver, and record easements, rights of way, licenses, and other similar interests affecting the general common elements and to consent to vacation of roadways within or adjacent to the Condominium as provided by ORS 100.405(6). An instrument granting any such interest or vacating any such roadway shall be executed by the chairperson and secretary of the Association, shall be acknowledged in the manner provided for acknowledgement of such instruments by such officers, and shall state that such grant was approved by the minimum required vote of the owners or Board of Directors required by ORS 100.405(6).

16.2 Utility Easements; Dedications. Anything in this Declaration to the contrary notwithstanding, Declarant shall have the right to execute, deliver, and record on behalf of the Association and the Unit owners such documents as may be required to grant easements, rights of way, and licenses over the common elements for the installation, maintenance and repair of public utilities serving the Condominium or adjacent property. Declarant shall also have the right to execute, deliver and record on behalf of the Association and the Unit Owners such deeds and other documents as may be required to convey, dedicate or grant such easements, rights of way or licenses over common elements as may be required by any government or governmental agency in order to complete development of the Condominium. To effect the intent of this Section 16.2 each Unit owner, by acceptance of a deed or contract to a Unit,

whether or not it shall be expressed in such deed or contract, for the owner and the owner's successors in interest, irrevocably appoints any Member of Declarant with signing authority to bind Declarant, or the owner's nominee, as his lawful attorney-in-fact for the purpose of executing any and all documents required or permitted to be executed hereunder. The Power of Attorney and the rights under this Section shall expire at such time as Declarant no longer owns a Unit or 3 years from the date this Declaration is recorded, whichever is earlier.

16.3 Encroachments. There shall be an easement for any encroachment of the Common Elements on any Unit or an encroachment of any Unit upon the common elements or another Unit arising from the original construction, reconstruction, authorized repair, shifting, settling, or other movement of any portion of the condominium improvements. Such easements shall exist indefinitely and may be terminated only by the voluntary act of the party who benefits from the easement(s).

17. ***Declarant's Special Rights***. Declarant shall have the following special rights:

17.1 Sales Office and Model. Declarant shall have the right to maintain sales and/or rental offices and sales and/or rental models in one or more of the Units that Declarant owns. Declarant, its agents, and prospective purchasers shall have the right to park automobiles in the parking area on the general common elements and to use and occupy the sales and/or rental office and models during reasonable hours any day of the week.

17.2 "For Sale" and "For Rent" Signs. Declarant may maintain a reasonable number of "For Sale" and/or "For Rent" signs at reasonable locations on the Condominium property.

17.3 No Capital Assessments Without Consent. Neither the Association nor the Board of Directors shall make any assessments for new construction, acquisition, capital improvements, or otherwise without the prior written consent of Declarant, so long as Declarant owns 2 or more Units in the Condomimum. Nothing contained in this Section 17.3 shall be construed to limit Declarant's obligation to pay assessments for common expenses on Units owned by Declarant pursuant to requirements of the Oregon Condominium Act.

17.4 Common-Element Maintenance by the Association. The Association shall maintain all common elements in a clean and attractive condition. If the Association fails to do so, Declarant may perform such maintenance at the expense of the Association.

17.5 Declarant's Easements. Declarant and its agents and employees shall have an easement on and over the common elements for the completion of any portion of the Condominium, including the furnishing and decoration of any Unit, sales office, or model, and the right to store materials on the common elements at reasonable places and for reasonable lengths of time.

17.6 Declarant's Other Special Rights. The rights reserved to Declarant in this Section 17.6 shall in no way limit any other special rights that Declarant, as a declarant, may have, whether pursuant to the Oregon Condominium Act or otherwise. On the expiration of any or all such special rights, Declarant shall have the same rights as any other owner in the Condominium with respect to such ownership.

17.7 Assignment of Declarant's Rights. Declarant shall have the right to assign any and all of its rights, including, without limitation, Declarant's special rights, as set forth in this Section 17, or to share such rights with one or more other person exclusively, simultaneously, or consecutively.

17.8 Expiration of Declarant's Special Rights. Unless otherwise provided, Declarant's special rights, as reserved in this Section 17, shall expire on the conveyance by Declarant of the last Unit owned by the Declarant or 3 years after the first conveyance of a Unit in the Condominium, whichever is earlier.

18. ***Right to Make Additions to Common Elements***. Declarant is reserving the right to create additional common elements consisting of part of the condominium buildings, land, pavement, landscaping and parking spaces. However, Declarant is not reserving the right to create substantial recreational amenities.

19. ***General Provisions***.

19.1 Interpretation. The rights and obligations of all members of the Association and any person dealing with the Association or any of its members with respect to matters pertaining to the Declaration, Articles of Incorporation or the Bylaws shall be interpreted in accordance with and governed by the laws of the State of Oregon.

19.2 Severability. Each provision of the Declaration, the Articles of Incorporation, and the Bylaws shall be independent and severable. The invalidity or partial invalidity of any provision thereof shall not affect any of the remaining portions of that or any other provision of this Declaration or the Bylaws.

19.3 Waiver of Rights. The failure of the Association, the Board of Directors, an officer, or a Unit owner to enforce any right, provision, covenant, or condition provided in the Declaration, Articles of Incorporation, or the Bylaws shall not constitute a waiver of the right of any such party to enforce such right, provision, covenant, or condition in the future.

19.4 Legal Proceedings. Failure to comply with any of the terms of the Declaration, Articles of Incorporation, the Bylaws, and any rules or regulations adopted thereunder shall be grounds for relief, which may include, without limitation, fining the noncomplying owner, bringing an action to recover money due, damages or a suit for injunctive

relief, or an action to foreclose a lien, or any combination thereof. Relief may be sought by the Association, Board of Directors, an officer, a professional manager, or a management firm, or, if appropriate, by an aggrieved Unit owner.

19.5 Costs and Attorney Fees. In any proceeding arising because of an alleged failure of a Unit owner to comply with the terms and provisions of this Declaration (as amended or supplemented), the Bylaws (as amended), Articles of Incorporation, rules and regulations adopted under the Bylaws, or the Oregon Condominium Act, the prevailing party shall be entitled to recover the cost of the proceedings and such reasonable attorney fees as may be determined by the trial court in any trial or by the appellate court in any appeal thereof. In addition, the Association shall be entitled to recover costs and attorney fees incurred by it to collect delinquent assessments or fines, or to enforce the terms of the Declaration, Bylaws, or any rules or regulations promulgated thereunder whether or not any action or suit is filed.

19.6 Compliances. Each Unit owner shall comply with the provisions of the Declaration, Articles of Incorporation, and the Bylaws, and with the administrative rules and regulations adopted thereunder, and with all other applicable covenants, conditions and restrictions of record. Failure to comply therewith shall be grounds for suit or action, maintainable by the Association or any Unit owner in addition to other sanctions that may be provided by the Bylaws or by any existing administrative rules and regulations.

19.7 Conflicting Provisions. In the event of a conflict between or among the provisions of the Declaration, the Articles of Incorporation of the Association, the Bylaws, and any administrative rules and regulations, the provisions of the Declaration shall be paramount to those of the Articles, Bylaws and the rules and regulations, and the Articles shall be paramount to the Bylaws and the rules and regulations and those of the Bylaws shall be paramount to the rules and regulations. For purposes of this Section 19.7, the term *Declaration* shall include all amendments to this Declaration, and the term *Bylaws* shall include all amendments to the Bylaws.

19.8 Section and Paragraph Captions. Section and paragraph captions shall not be deemed to be part of this Declaration unless the context otherwise requires. In construing this Declaration, if the context so requires, the singular shall be taken to mean and to include the plural, the masculine shall be taken to mean and to include the feminine and the neuter, and, generally, all grammatical changes shall be made, assumed, and implied to make the provisions hereof apply equally to individuals, trusts, estates, personal representatives, trustees, and corporations.

The undersigned Declarant of the subject property has caused this Declaration to be executed this 16 day of February, 2006.

STATE STREET CONDOMINIUMS, LLC

By: _____
Its: Member

By: _____
Its: Member

By: _____
Its: Member

STATE OF OREGON)
) ss.
County of WASHINGTON)

On this 16th day of February, 2006, personally appeared before me the above-named Scott Conway, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

_____
Notary Public for Oregon
My commission expires: _____

OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 28, 2007

STATE OF OREGON)
) ss.
County of Washington)

On this 16th day of February, 2006, personally appeared before me the above-named Joseph P. Danlon, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

Notary Public for Oregon
My commission expires: _____

OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 28, 2007

STATE OF OREGON)
) ss.
County of Washington)

On this 16th day of February, 2006, personally appeared before me the above-named MARK SANDQUIST, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

Notary Public for Oregon
My commission expires: _____

OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 28, 2007

The foregoing Declaration is approved pursuant to ORS 100.110 this 21st day of February, 2006 and, in accordance with ORS 100.110(7), this approval shall automatically expire if this Declaration is not recorded within two years from this Date.

SCOTT W. TAYLOR
Real Estate Commissioner

By: _____

The foregoing Declaration is approved pursuant to ORS 100.110 this 28 day of February, 2006.

COUNTY ASSESSOR

Ray Eiland

By: Elsie Harvey

EXHIBIT A
Legal Description

Lots 7, 8 and 9, and the Southerly 10 feet of Lot 6, LAKEWOOD PLAT NO. 1, located in the Northeast Quarter (NE ¼) of Section 10, Township 2 South, Range 1 East, Willamette Meridian, in the City of Lake Oswego, Clackamas County, Oregon, being more particularly described as follows:

Beginning at the initial point, said point being a found 5/8 inch iron rod with a red plastic cap scribed "Centerline Concepts, Inc." marking the SE corner of Lot 9, "Lakewood No. 1"; thence N 82°45'00" W on the South line of said Lot 9, 84.61 feet to a start of a 15.00 foot radius curve concave Northeasterly; thence on said curve through a central angle of 91°28'30" (which chord bears N 37°00'45" W 21.48 feet), an arc distance of 23.95 feet to the west line of said Lot 9; thence N 08°43'30" E on said West line and the West line of Lots 8, 7 and 6, 137.68 feet to the SW corner of that tract of and described in Document No. 90-03592, Clackamas County Deed Records; thence S 81°16'30" E on the South line of said Document No. 90-03592 tract 99.97 feet to the SE corner thereof; thence S 08°43'30" W on the East line of said Lot 6, 7, 8 and 9, 150.50 feet to the initial point.

Said tract of land contains 15,122 square feet.

EXHIBIT B
Units and Parking Spaces/Carports

Parking Space	Square Footage of Parking Space	Unit to Which the Parking Space is Assigned
"A"	248	10
"B"	250	1
"C"	250	2
"D"	250	3
"E"	250	9
"F"	250	8
"G"	250	7
"H"	250	6

EXHIBIT C
Bylaws
(Following Page)

BYLAWS OF STATE STREET CONDOMINIUMS
HOMEOWNER'S ASSOCIATION

Dated: February 16, 2006

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PROPOSED BYLAWS OF
STATE STREET CONDOMINIUM HOMEOWNER'S ASSOCIATION

ARTICLE I
Plan of Unit Ownership

1.1 ***Unit Ownership***. The Condominium, located in the City of Lake Oswego, County of Clackamas, State of Oregon, known as State Street Condominiums, is submitted to the provisions of ORS 100.005 et seq., the Oregon Condominium Act, by the Declaration of State Street Condominiums (the "Declaration"), and these Bylaws.

1.2 ***Bylaws Applicability***. The provisions of these Bylaws are applicable to the State Street Condominium Homeowner's Association, an incorporated nonprofit/mutual benefit association (the "Association") and the entire management structure thereof. The term *Condominium* as used herein shall include the land.

1.3 ***Personal Application***. All present or future owners, tenants, future tenants or their employees, or any other person that might use the facilities of the Condominium in any manner, are subject to the regulations set forth in these Bylaws. The acquisition, occupancy, or rental of any of the Units of the Condominium or the mere act of occupancy of any such Units will constitute acceptance and ratification of these Bylaws and agreement to comply with all the provisions hereof.

1.4 ***Definitions***. Except as otherwise provided below, the terms herein shall have the meaning set forth in the Oregon Condominium Act, ORS 100.005 et seq., as supplemented by the Declaration, and said statute and definitions are incorporated herein by this reference.

ARTICLE II
Association Membership, Voting, Majority of Owners, Quorum, Proxies

2.1 ***Membership in the Association***. On recordation of a conveyance or contract to convey a Unit, the grantee or purchaser named in such conveyance or contract shall automatically be a member of the Association and shall remain a member of the Association until such person's ownership ceases for any reason. For all purposes of the Declaration and the administration of the Condominium, Unit ownership shall be determined on the basis of the records maintained by the Association. The record shall be established by the Unit owner filing with the Association a copy of the deed to or land sale contract for his or her Unit, to which shall be affixed the certificate of the recording officer of Clackamas County, Oregon, showing the date and place of recording of such deed or contract. No person shall be recognized as a Unit owner unless a copy of the deed or contract showing him or her to be the current owner or contract purchaser of a Unit has been filed with the Association as provided above. Notwithstanding the foregoing, Declarant shall be the owner of all previously unsold units, although no deed or land sale contract, with respect to such Units, has been filed with the Association.

2.2 ***Voting***. The owner or co-owner of each Unit shall be entitled to one vote per Unit. The calling and conducting of meetings of the Association and the exercise of voting rights shall be controlled by Articles 2 and 3 of the Bylaws.

2.3 ***Majority of Owners***. As used in these Bylaws, the term *majority of owners* shall mean those owners holding 50% of the voting rights allocated to the Unit owners in accordance with the Declaration and Section 2.2 above. *Majority of owners present* shall mean owners holding over 50% of the votes present at any legal meeting as defined in Section 2.8 hereof.

2.4 ***Quorum***. Except as otherwise provided in these Bylaws, the presence in person, by proxy, or by ballot of owners holding 40% or more of the outstanding votes in the Condominium, as defined in Section 2.2 hereof, shall constitute a quorum. Provided, however, that the quorum at any adjourned meeting, as described in Section 3.8, shall be reduced to 25% of the outstanding votes in the Condominium.

2.5 ***Proxies; Ballots***. Votes may be cast person, by proxy, or by written ballot. Proxies must be filed with the secretary of the Association (the "Secretary") before or during the appointed meeting. The proxies may require the holder to cast a vote for or against any special proposal set out in the notice calling the meeting. Unless withdrawn, a proxy given to another person to vote at a specific meeting also shall be valid at an adjourned meeting called under the provisions of Section 3.7 hereof. In the sole discretion of the Board of Directors, a meeting of the Association may be held by ballot rather than at a formal gathering. Ballots for such meeting must be properly executed and returned in sufficient quantity to constitute a quorum and/or to pass the proposal(s) specifically propounded on the ballot. Procedures for meetings by ballot shall comply with the Oregon Condominium Act as may be amended from time to time and Section 3.9 of these Bylaws. Proxies and ballots must be retained by the Association for one year from the date of determination of the vote.

2.6 ***Authority to Vote***. All owners, including those who have leased their premises to a third party, shall be entitled to vote. An owner's right to vote may not be revoked. A purchaser under a land sale contract who is entitled to immediate possession of the Unit shall be deemed to be the owner thereof unless otherwise provided in such contract.

2.7 ***Fiduciaries and Joint Owners***. An executor, administrator, guardian, or trustee may vote, in person, by proxy or by ballot, at any meeting of the Association with respect to any Unit owned or held by him or her in such capacity, whether or not the same shall have been transferred to his or her name; provided, that he or she shall satisfy the Secretary that he or she is the executor, administrator, guardian, or trustee, holding each Unit in such capacity. Whenever any 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 disagreement and such protest, the vote of each Unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

2.8 ***Actions by Association; Legal Meeting***. Except as otherwise provided in the Declaration, the Articles of Incorporation, these Bylaws, the Oregon Condominium Act or the Oregon Nonprofit Corporation Act, decisions and resolutions of the Association shall require approval by a majority of owners present at any legal meeting. For purposes of these Bylaws, a legal meeting is one duly called pursuant to these Bylaws at which a quorum is present or by proxy, at a ballot meeting where the number of owners casting written ballots constitutes a quorum.

ARTICLE III
Administration

3.1 ***Association Responsibilities***. The owners of the Units constitute the members of the Association which, through its Board of Directors, has the responsibility of administering the project, approving the annual budget, establishing and collecting assessments, and arranging for the operation, management and maintenance of the Condominium, including negotiating and contracting with and supervising any person, persons, or business entity with respect to such matters. The Association shall be incorporated as an Oregon nonprofit corporation.

3.2 ***Place of Meetings***. Formal meetings of the Association shall be held at the principal office of the Condominium or such other place that is convenient to the owners as may be designated by the Board of Directors. The outcome of a ballot meeting shall be determined by the Board of Directors within 48 hours of the deadline for return of ballots, or in the event the ballot return date is postponed, within 48 hours of the postponed date. Each Unit owner shall be notified within 10 days after the ballots have been counted, by mail or other delivery of written notice, of the results of the ballot meeting or that a quorum of ballots was not returned.

3.3 ***Turnover Meeting***. The turnover meeting (which shall constitute the initial organizational meeting) shall be held within 90 days after the earlier of (i) the date on which 50% of the Units that Declarant has reserved the right to create have been conveyed to persons other than Declarant or (ii) the date on which 3 years has elapsed since the first conveyance of a Unit to someone other than Declarant. The turnover meeting shall be called by notice to all Unit owners of the time, place and purpose thereof not less than 10, nor more than 50, days before the meeting. If such meeting is not called by Declarant within the time specified, the meeting may be called and notice given by a Unit owner.

At the turnover meeting, Declarant shall relinquish control of the administration of the Association and the Unit owners shall assume such control and shall elect a board of directors ("Board of Directors") in accordance with the provisions of Article 4 of these Bylaws. Additionally, Declarant shall deliver to the Association those items specified in the Oregon Condominium Act to be turned over by the Declarant at the turnover meeting. To facilitate an orderly transition, during the 3-month period following the turnover meeting, the Declarant or an informed representative shall be available to meet with the Board of Directors on at least 3 mutually acceptable dates to review the documents delivered to the Association as required by

the Oregon Condominium Act and as referred to above. The turnover meeting may not be conducted by written ballot.

3.4 ***Annual Meetings***. The first annual meeting of the Association shall be held during the calendar year following the calendar year during which the turnover meeting is held, and its date shall be set by action of the Board of Directors. This meeting, the date of which may be changed from time to time, at the discretion of the Board of Directors, must be held annually under the rules and regulations as set forth in the Bylaws. At such meetings, new members of the Board of Directors shall be elected by the owners in accordance with the requirements of Section 4.6 of these Bylaws, to replace those directors whose terms have expired. The owners may also transact such other business of the Association as may properly come before them. Annual meetings of the Association may not be conducted by written ballot.

3.5 ***Special Meetings***. Special meetings of the Association may be called by the chairperson of the Association ("Chairperson"), a majority of the Board of Directors, or on the presentation to the Secretary of a petition signed by 10% of the owners. All meetings called because of petition of Unit owners shall be held at a formal gathering and not by ballot, and shall be held within 60 days after receipt of the petition. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business, except as stated in the notice therefor, shall be transacted at a special meeting unless by consent of all owners of the Units or as otherwise set forth in these Bylaws.

3.6 ***Notice of Meetings***. The Secretary shall mail by first-class or certified mail, or shall hand-deliver, a notice of each annual or special meeting, stating the purpose thereof and the time and place where it is to be held, to each owner of record of at least 10, but not more than 50, days before such meeting or the date when ballots for a ballot meeting are required to be returned. The Secretary shall hand-deliver, or mail by first-class or certified mail, written ballots for ballot meetings to each owner of record not less than 20 days before the date on which such ballots must be received by the Association in order to be counted. The mailing shall be to the owner's address last given to the Secretary in writing by the Unit owner or his or her vendee. If Unit ownership is split or the Unit has been sold on a contract, notice shall be sent to a single address, of which the Secretary has been notified in writing by such parties. If no address has been given to the Secretary in writing, then mailing to the Condominium Unit shall be sufficient. The mailing of a notice in the manner provided in this Section shall be considered notice served.

3.7 ***Adjourned Meetings***. If any gathering of owners is not a legal meeting because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours nor more than 20 days from the time the original meeting was called. The Board of Directors may postpone the date for counting the ballots of a ballot meeting, in one or more postponements, for up to 90 days after the originally scheduled ballot return date if a quorum of ballots has not been returned and/or for matters on which a certain percentage approval is required and that vote has not been received nor have sufficient votes in opposition been received to negate such approval. Provided, however, if a secret ballot is required, secrecy envelopes may not be examined prior to counting the vote.

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

3.10 ***Order of Business.*** The order of business at all meetings of the owners of Units shall be as follows unless the Board of Directors sets a different agenda:

3.9.1 Roll call.
3.9.2 Proof of notice of meeting or waiver of notice.
3.9.3 Reading of minutes of the preceding meeting.
3.9.4 Reports of officers.
3.9.5 Reports of committees.
3.9.6 Election of inspectors of election.
3.9.7 Election of directors.
3.9.8 Unfinished business.
3.9.9 New business.

ARTICLE 4
Board of Directors

4.1 ***Number and Qualification.*** The affairs of the Association shall be governed by a Board of Directors composed of 3 persons, each of whom must be an owner or co-owner of a Unit. Provided, however, that if a Unit is owned by more than one owner, only one owner of that Unit may serve on the Board of Directors at any one time. An officer or employee of a corporation, a trustee of a trust, a personal representative of an estate, or an employee of a trust or estate may serve on the Board of Directors if such corporation, trust or estate owns a Unit.

4.2 ***Powers and Duties.*** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not by law or by these Bylaws directed to be exercised and done by the owners.

4.3 ***Other Duties.*** In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall have authority to carry out and shall be responsible for the following matters:

4.3.1 Caring for, maintaining, and supervising the management of the Condominium, Association property, if any, the general common elements, the limited common elements for which the Association has maintenance responsibilities, and assigning, supervising assignments, or approving any assignment of the use of any common element, general or limited, as may be required by the Declaration.

4.3.2 Establishing and maintaining replacement reserve accounts and other reserves, as required by the Oregon Condominium Act or these Bylaws and such other reserve accounts as are permitted by these Bylaws.

4.3.3 Designating and collecting regular and special assessments from the owners, in accordance with these Bylaws, the Declaration, and the Oregon Condominium Act.

4.3.4 Establishing a budget for payment of all common expenses of the Association and instituting and maintaining a system for such payment as may be reasonably necessary to prevent any misuse of Association funds.

4.3.5 Obtaining and maintaining insurance policies and paying premiums therefor out of the common expense funds with respect to both the common elements and individual Units as more specifically provided in Article 8 of these Bylaws.

4.3.6 Designating and dismissing the personnel necessary for the maintenance and operation of the Condominium, the general common elements, and the limited common elements, if any.

4.3.7 Causing the preparation and distribution of annual financial statements of the Condominium to each of the Unit owners as more specifically provided in Article 12 of these Bylaws.

4.3.8 Adopting and amending administrative rules and regulations governing the details of operation and use of the common elements and the Units and the administration of the Association, including a fine schedule for violations of these Bylaws, the Declaration or any rules or regulations promulgated thereunder. Provided, however, that any such rules or regulations always shall be subject to rescission or amendment by the Association on a majority vote of owners present at any properly called meeting at which a quorum is present.

4.3.9 Causing the Association to comply with ORS 100.480 relating to maintenance within the State of Oregon of documents delivered to the Association by Declarant, depositing all assessments in a separate bank account in the name of the Association, payment of

all expenses of the Association from the Association's bank account, and maintenance and distribution of financial statements and to maintain copies suitable for duplication of the following: the Declaration, the Articles of Incorporation, the Bylaws, the Association rules and regulations and any amendments thereto, the most recent annual financial statement, and the current operating budget of the Association. Further, the Board of Directors shall cause to be maintained and kept current the information required to enable the Association to comply with ORS 100.480(7).

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

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

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

4.4 ***Management Agent***. The Board of Directors may employ a management agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 4.3 hereof. Any such management contract must be cancelable without penalty upon 90 days' written notice. Any management contract entered into by Declarant before the turnover meeting may be canceled by the Board of Directors elected at the turnover meeting upon 30 days' written notice given not later than 60 days after the turnover meeting.

4.5 ***Interim Directors***. On the filing of the Declaration submitting the Condominium to the Oregon Condominium Act, Declarant shall appoint an interim board of one to three directors (who need not be owners of Units), who shall serve until replaced by the Declarant or their successors have been elected by the Unit owners at the turnover meeting as hereinafter provided.

4.6 ***Election and Term of Office***. At the turnover meeting, on agreement by vote of the owners, the Board of Directors may be elected by a single ballot, with each owner permitted to vote for 3 nominees. In such event, the nominee receiving the highest number of votes shall be a Director serving a 3-year term, the nominee receiving the second highest number of votes shall be a Director serving a 2-year term, and the nominee receiving the fewest votes shall be a Director serving a 1-year term. At the expiration of the initial term of office of each respective Director, a successor shall be elected to a term of 3 years. The Association may increase or decrease the number of Directors and length of terms for which each is elected on amendment of this Section 4.

4.7 ***Vacancies***. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by vote of the Association shall be filled for the balance of the term of each directorship by a vote of a majority of the remaining Directors, even though they may

constitute less than a quorum; and each person so elected shall be a Director until the person's successor is elected on expiration of the term for which such person was elected by the other Directors to serve.

4.8 ***Removal of Directors***. At any legal annual or special meeting, other than a meeting by ballot, any one or more of the Directors may be removed with or without cause, by a majority vote of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting. Any Director or Directors who fail(s) to attend 3 successive meetings of the Board of Directors which have been properly called, or who has failed to attend more than one-third of the Board of Directors meetings during a 12-month period which have been properly called, may be removed by a majority of the remaining Directors.

4.9 ***Organizational Meeting***. The first meeting of a newly elected Board of Directors shall be held within 10 days after its election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice need be given to the newly elected Directors to hold such meeting legally, providing that a majority of the newly-elected Directors are present.

4.10 ***Regular 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, but shall be held no less often than quarterly. Notice of regular meetings of the Board of Directors may be called by the Chairperson on 3 days' notice to each Director, given personally or by mail, telephone, facsimile or other similarly reliable method, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting.

4.11 ***Special Meetings***. Special meetings of the Board of Directors may be called by the Chairperson or Secretary or on the written request of at least 3 Directors. Special meetings of the Board of Directors may be called on 3 days' notice to each Director, given personally or by mail, telephone, facsimile, or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

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

4.13 ***Board of Directors' Quorum***. At all meetings of the Board of Directors, a majority of the existing Directors shall constitute a quorum for the transaction of business, and the acts of a majority of the Directors shall be the acts of the Board of Directors. A majority of those present may adjourn a meeting of the Board of Directors at which less than a quorum is

present. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.14 ***Board of Directors' Meetings Open to All Association Members***. Except as provided in Section 4.15, all meetings of the Board of Directors shall be open to all members of the Association. No Association member shall have a right to participate in the Board of Directors' meetings unless such member is also a member of the Board of Directors. The Chairperson shall have authority to exclude any Association member who disrupts the proceedings at a meeting of the Board of Directors.

4.15 ***Executive Session***. At the discretion of the Board, the following matters may be considered in executive sessions:

a. Consultation with legal counsel concerning rights and duties of the Association regarding existing or potential litigation or criminal matters;

b. Personnel matters, including salary negotiations and employee discipline;

c. Negotiations of contracts with third parties;

d. Collection of assessments;

e. Any other matters for which the Oregon Condominium Act permits.

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

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

4.17 ***Emergency Meetings***. In the event of an emergency, Board of Directors meetings my be conducted by telephonic communication by the use of a means of communication that allows all Board members participating to hear each other simultaneously or otherwise to be able

to communicate during the meeting. No notice to either Directors or Association members shall be required for such meetings of the Board of Directors to be held for any emergency action. Provided, however, that no such meeting shall occur unless at least 75% of the Board of Directors participate in the same and after an attempt has been made to reach each Director.

4.18 ***Compensation of Directors***. No Director shall be compensated in any manner, except for out-of-pocket expenses, unless such compensation is approved by a majority vote of the Unit owners.

ARTICLE 5
Officers

5.1 ***Designation***. The principal officers of the Association shall be a chairperson, a secretary, and a treasurer, all of whom shall be elected by the Directors. The Directors may appoint an assistant treasurer and an assistant secretary and any such other officers as in their judgment may be necessary.

5.2 ***Election of Officers***. The officers of the Association may be elected by the Board of Directors at the organizational meeting of each new Board or any Board meeting thereafter and shall hold office at the pleasure of the Board.

5.3 ***Removal of Officers***. On an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and the officer's successor shall be elected at any regular or special meeting of the Board of Directors.

5.4 ***Chairperson***. The Chairperson shall be the chief executive officer of the Association. The Chairperson shall preside at all meetings of the Association and of the Board of Directors. The Chairperson shall have all of the general powers and duties that are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5.5 ***Secretary***. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; the Secretary shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all the duties incident to the office of Secretary.

5.6 ***Treasurer***. The Treasurer shall have responsibility for Association funds and securities not otherwise held by the managing agent, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

5.7 ***Directors as Officers***. Any Director may be an officer of the Association.

ARTICLE 6
Obligations of the Owners

6.1 ***Assessments***. All owners shall be obligated to pay assessments imposed by the Association to meet all the Condominium's common expenses, which shall include premiums for insurance required or permitted under Article 8 of these Bylaws. In the discretion of the Board of Directors, the assessments may be made payable semiannually, quarterly, or monthly. An annual assessment shall be charged beginning when Declarant first conveys a Unit to a Unit owner. Prior to such time, Declarant shall pay all operating expenses of the Condominium. All of the reserve accounts set up pursuant to these Bylaws shall be funded by allocation and payment from the assessment of Unit owners. The assessment of all Unit owners who may benefited by expenditure of reserve funds may be increased as necessary, so the reserve fund in question can be maintained in an amount sufficient to meet the needs for which such fund was established.

Except as otherwise provided in the Declaration or these Bylaws, each Unit shall be liable for the common expense in the same percentage as the percentage ownership in the common elements allocated to each Unit.

Certain services provided through the Association, such as water service or basic cable television service, may be billed on a per-Unit basis rather than on the basis of percentage ownership. Each Parking Space shall be liable for the limited common element expense of maintaining, repairing, and replacing the limited common element carport structure in the proportion which the square footage of such Parking Space bears to the total square footage of all Parking Spaces utilizing the carport structure.

The assessment of Units shall include the following items, which shall be common expenses:

6.1.1 *Expense items:*

6.1.1.1 Expenses of administration.

6.1.1.2 Expenses of maintenance, repair, or replacement of the common elements and Association property, if any.

6.1.1.3 Any deficit in common expenses for any prior period.

6.1.1.4 The costs of utilities for the common elements and other utilities that have a common meter or that are commonly billed, such as water or sewer.

6.1.1.5 At the discretion of the Board of Directors, the expense of basic cable or satellite television service to all Units, together with maintenance and repair expenses for such system and service.

6.1.1.6 The cost of insurance or bonds obtained in accordance with these Bylaws.

6.1.1.7 The cost of any professional management if required by mortgagees or desired by the Board of Directors.

6.1.1.8 Legal, accounting, and other professional fees.

6.1.1.9 Any other items that are properly chargeable as an expense of the Association.

6.1.2 *Reserve Items.*

6.1.2.1 *Reserve Account.* A reserve account shall be established for the purpose of effecting replacements of structural elements, mechanical equipment, exterior painting, and other common elements of the Condominium which will normally require replacement in more than 3 years and less than 30 years. Payment into this account shall be deemed a contribution to capital improvement as and when made. Pursuant to provisions of the Oregon Condominium Act, Declarant has established a reserve account for replacement of such common elements. The reserve accounts for replacement shall be funded by assessment for which the reserve account is established. Accordingly, the reserve account for replacement of those general common elements and limited common elements, the maintenance of which is provided by assessment against all owners shall be created by assessment against all owners. The reserve account for replacement of those limited common elements, the maintenance of which is provided by assessment of fewer than all Units, shall be created by assessment only against the specific Units responsible for the maintenance of such limited common elements.

The Board of Directors of the Association shall annually conduct a reserve study, or review and update an existing study, of the common elements to determine the reserve account requirements. A reserve account shall be established for those items of the common elements all or part of which will normally require replacement in more than 3 and less than 30 years, for exterior painting if the common elements include exterior painted surfaces, and for the maintenance, repair or replacement of other items as may be required under the Declaration or Bylaws or that the Board of Directors, in its discretion, may deem appropriate. The reserve account need not include items that could reasonably be funded from operating assessments. The reserve study shall include:

a. Identification of all items for which reserves are to be established.

b. The estimated remaining useful life of each item as of the date of the reserve study.

c. An estimated cost of maintenance, repair or replacement of each item at the end of its useful life; and

d. A 30-year plan with regular and adequate contributions, adjusted by estimated inflation and interest earned on reserves, to meet the maintenance, repair and replacement schedule.

Except as otherwise provided in the Oregon Condominium Act, the reserve account shall be used only for maintenance, repair, and replacement of common elements for which reserves have been established and shall be kept separate from other accounts.

6.1.2.2 *General Operating Reserve.* The Board of Directors shall create and maintain a general operating reserve account by allocation and payment thereto monthly of an amount determined by the Board of Directors. This account shall be used to pay expenses which exceed budgeted amounts. The initial working capital required by Section 6.2.1 shall be deposited into such operating reserve account.

6.1.2.3 *Special Reserves.* Such other special reserve funds as may be set up by the Directors by special assessments of the Unit owners who benefit thereby as may be required by the Declaration or otherwise determined by the Association to be appropriate. Each reserve account shall be kept in an account with a safe and responsible depository, shall be accounted for separately and, if invested, the obligation or security shall be fully guaranteed as to principal by the United States of America or one of its agencies. Assessments paid into the reserve accounts are the property of the Association and are not refundable to sellers of Units. Provided, however, that nothing contained herein shall prevent sellers of Units from treating their outstanding allocable share of reserve accounts as a separate or reimbursable item in a sales agreement. No Unit owner shall have any individual rights in any of these reserves, although it is understood that the value of their respective Units may increase in proportion to each Unit's right to receive repair, maintenance, and replacement therefrom.

6.2 ***Initial Assessment.*** The amount of the initial assessment due from Unit owners other than Declarant shall be determined by Declarant. The amount of the annual assessment thereafter shall be subject to review and modification by the Board of Directors.

6.2.1 *Contribution to Working Capital.* At closing, each purchaser shall contribute to the Association a sum equal to one-sixth of the annual assessments, with respect to the Unit being purchased, as a one-time contribution to the working capital of the Association. Within 60 days after the first conveyance by Declarant of the first Unit in the Condominium, Declarant shall make such contribution with respect to all Units in the Condominium that have not yet been conveyed to a purchaser. If Declarant has made such contribution, no further

contribution shall be required to the Association, but each purchaser shall reimburse Declarant at closing for the amount of the contribution made by Declarant with respect to the Unit conveyed to the purchaser. If the amount of assessments is reduced pursuant to the authority granted to Declarant herein, the initial deposit to the Association budget, equal to one-sixth of the annual assessments, shall be based on the projected amount of such annual assessments after substantial or full occupancy of the Units rather than on the reduced amount. The working capital contribution shall be allocated to the general operating reserve provided in Section 6.1.2.2 of these Bylaws. The working capital contribution is in addition to regular assessments and shall not be used as a prepayment of assessments by any Owner. Declarant may not use the working capital funds to defray any of its expenses, reserve contributions, or construction costs, or to make up any budget deficits while Declarant is in control of the Association. All working capital contributions shall be disbursed to the Association at or prior to the turnover meeting and shall be credited to the operating reserve account.

6.2.2 *Procedures*. If Declarant or any other person pays all of the operating expenses of the Condominium or subsidizes such expenses, the assessment shall be reduced by such amount, but shall not be reduced to a sum less than the total amount of the replacement reserve items. With respect to units not yet conveyed by Declarant, Declarant may accrue the replacement reserve items. At the time of conveyance of the Unit for which the replacement reserve has been accrued, the accrued reserves must be paid to the Association.

Declarant, or such other person paying all operating expenses or subsidizing such expenses, shall give 10 days' written notice to individual Unit owners before their obligation to pay the full assessment begins. Thereafter, each owner, including Declarant or such other person, shall pay the assessments to the Association. If Declarant has collected initial assessments from Unit purchasers at closing and thereafter elects to pay or subsidize the operating expenses, thereby causing the amount of the assessment to be reduced, the one-time initial contribution collected from Unit purchasers shall be held by Declarant in a separate Association account. On the date on which Unit owners are required to pay full assessments, the aggregate sums held in such separate account shall be deposited to the Association's general account to be used as working capital.

6.2.3 *Temporary Reduction of Assessment Amount*. If the Association expenses are temporarily less than projected by Declarant because some or most of the Units are not yet sold or occupied, Declarant shall have the authority to reduce temporarily the amount of the assessment to reflect the lower expenses of the project.

6.3 ***Special Assessments***. The Board of Directors shall have the power to levy special assessments against an owner or all owners for the following purposes and in the following manner:

6.3.1 To correct a deficit in the operating budget by a vote of a majority of the Board;

6.3.2 To collect amounts due to the Association from an owner for breach of the owner's obligations under the Declaration, these Bylaws, or the Association's rules and regulations, by a vote of a majority of the Board;

6.3.3 To make repairs or renovations to the common elements if sufficient funds are not available from the operating budget or replacement reserve accounts by a vote of a majority of the Board;

6.3.4 To make capital acquisitions, additions or improvements by a vote of at least 75% of all votes allocated to Units in the Condominium; or

6.3.5 To make capital acquisitions, additions, or improvements costing less than $2,500.

6.4 ***Payment of Assessments***. Subject to the provisions of Sections 6.2 and 6.3, from the date on which the Declaration is recorded, Declarant shall:

6.4.1 Pay assessments due for operating expenses on all unsold units; and

6.4.2 Pay assessments due for reserves on all unsold Units, or, at Declarant's option, pay or require the Unit owner to pay all accrued reserve assessments against the Unit at the time of the initial sale to the Unit owner. Provided, however, such reserve accrual shall not extend beyond the date of the turnover meeting.

6.5 ***Adoption of Budget; Determination of Fiscal Year; Filing of Income Tax Returns***.

6.5.1 *Adoption of Budget*. At least 60 days before the beginning of each fiscal year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair, and replacement of the common elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair, and replace, and the cost of wages, materials, insurance premiums, services, supplies, and other expenses that may be declared to be common expenses pursuant to the Oregon Condominium Act, the Condominium instruments, or a resolution of the Association and that shall be required during the ensuing fiscal year for the administration, operation, maintenance, and repair of the Condominium and the rendering to the Unit owners of all related services.

Such budget shall also include reasonable amounts as the Board of Directors considers necessary to provide working capital and such general operating reserve accounts, contingency and other reserve accounts as the Board shall determine. The amount designated for replacement reserves shall be adjusted annually to reflect current replacement cost and remaining useful life. Within 30 days after adopting the annual budget, the Board shall

provide a summary of the budget to all owners. Such budget shall constitute the basis for determining each Unit owner's assessment for the common expenses of the Condominium.

6.5.2 *Failure to Prepare Budget.* The failure of the Board of Directors to prepare and/or to present, in a timely manner, a budget to the Unit owners shall not be cause for any owner to fail or refuse to pay assessments. Assessments shall continue, based on the last adopted or accepted budget, until a new budget is created and announced. Retroactive increases and/or special assessments may be made by the Board of Directors to make up for any deficiency.

6.5.3 *Failure to Adopt Budget.* If the Board of Directors fails to adopt, in a timely manner, a budget for a new fiscal year, Unit owners holding a majority of the votes of the entire Association, at any general or specially called meeting, may adopt such a budget, announce it to the Unit owners, and immediately commence assessments based on the newly adopted budget. Additionally, at any general or specially called meeting, Unit owners holding a majority of the votes of the entire Association may amend any budget adopted by the Board of Directors. Thereafter, the amount of assessments due from Unit owners shall be based on the budget as so amended until a new budget is adopted in accordance with this Section 6.5.

6.5.4 *Determination of Fiscal Year.* The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board of Directors.

6.5.5 *Filing of Income Tax Returns.* The Board of Directors, in its sole discretion, shall determine the manner in which all necessary income tax returns are filed and of selecting any and all persons to prepare such tax returns.

6.6 ***Default.*** The failure of an owner to pay any assessment of the Association shall be a default by such owner of the owner's obligations pursuant to these Bylaws and the Oregon Condominium Act and, in addition to the Association's other remedies provided in the Declaration, these Bylaws shall entitle the Association to declare the balance of such owner's annual assessment otherwise being paid in installments to be immediately due and payable in full. Interest shall be charged on delinquent assessments at such rate as may be set by the Board of Directors from time to time not to exceed the lower of 18% per annum or the highest rate permitted by applicable law. Before a change in the interest rate charged on delinquent assessments, the Board of Directors shall give 30 days' written notice to all owners.

In addition, the Board, at its option, may impose a late charge penalty on any assessment that is delinquent for 10 or more days. Such penalty shall not exceed the sum of 25% of the delinquent assessment and shall be imposed only once on each regular or special assessment or installment of such assessments.

The Association shall be entitled to a lien that may be enforced on compliance with the provisions of ORS 100.450. In any foreclosure suit by the Association with respect to such lien, the Association shall be entitled to collect reasonable rent from the defaulting owner

for the use of his Unit or shall be entitled to the appointment of a received pursuant to ORS 100.460. Liability for all assessments, fines, charges, interest, fees (including attorney fees, whether or not a suit or an action is commenced) and other sums owing by the Unit owner pursuant to the Declaration, these Bylaws, the Oregon Condominium Act, and rules and regulations of the Association shall be the personal obligation of the Unit owner and may be enforced by a suit for a money judgment, in addition to all other remedies of the Association. Any default by the owner in any provisions of these Bylaws or of the Oregon Condominium Act shall be deemed to be a default by the owner of any mortgage to which the owner is a party or to which the Unit is subject.

6.7 ***Statement of Assessments.***

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

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

(a) Regular and special assessments;

(b) Fines and other charges;

(c) Accrued interest; and

(d) Late payment charges.

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

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

6.7.2 The Association is not required to comply with Section 6.7.1 if the Association has commenced litigation by filing a complaint against the owner and the litigation is pending when the statement would otherwise be due.

6.8 ***Maintenance and Repair.***

6.8.1 *Owner's Duty to Maintain.* Every owner shall perform promptly all maintenance and repair work that is needed within the owner's own Unit to prevent any negative effect on the common elements of the Condominium or a part thereof belonging to other owners, and every owner shall be responsible for the damages and liabilities that the owner's failure to maintain and repair may cause, including, but not limited to, damage caused by plugged toilets and bath drains, overloaded electrical outlets, and clothes washer and dishwasher overflow.

6.8.2 *Owner's Expenses.* All repairs of internal installations of each Unit, such as water, lights, gas, power, sewage, telephones, air conditioners, heaters, and sanitary installations, doors, windows, lamps, and all other accessories or appliances belonging to the Unit area, shall be at the sole expense of the owner of each Unit.

6.8.3 *Reimbursement of Association.* An owner shall reimburse the association for any expenditures incurred in repairing or replacing any common elements and/or facility that was damaged through such owner's fault and that is not otherwise covered by insurance policies carried by the owner or the Association for the owner's and the Association's benefit. In such circumstances, the insurance obtained by the owner shall be deemed to be the primary coverage.

6.9 ***Right of Entry; Easement for Maintenance; Encroachments.***

6.9.1 *Association Right of Entry.* If an emergency originates in or threatens a Unit, the owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association, whether the owner is present at the time or not.

6.9.2 *Easement for Maintenance.* An easement for the benefit of the Association is hereby reserved in and through all Units and the common elements providing access at reasonable times and with reasonable notice for the purposes of maintenance, repair, and replacement of the common elements. If, in the process of such repair and maintenance by the Association, it is necessary to alter or damage any Unit or common elements, such alterations or damages shall be permitted without compensation, provided that the Unit and/or common elements are promptly restored to substantially their prior condition by the Association.

6.9.3 *Encroachment.* If any portion of the common elements encroaches on a Unit, or a Unit encroaches on any portion of the common elements, a valid easement for the encroachment and for the maintenance of the same, as long as the affected Unit or common element stands, shall and does exist. If the affected Unit or common element either is partially or totally destroyed and then rebuilt, the owners of the Units agree that minor encroachment of parts of the common elements due to such rebuilding shall be allowed and an easement shall exist for such purpose.

ARTICLE 7
Use and Occupancy Restrictions; Rules of Conduct

The failure of an owner (or the owner's family, invitees, or tenants) to comply with the rules of conduct and restrictions set forth herein, in the Declaration, or others promulgated by the Board of Directors, shall be cause for which the Board of Directors may deny or restrict such owner's right to use any common element facility with respect to which such owner otherwise had a right of use.

7.1 ***Use as Private Dwelling Only***. Each of the Units shall be occupied as a single-family private dwelling by its owner or the owner's tenants, visitors, and guests, and for no other purpose. Subject to compliance with applicable local ordinances and other restrictions of record, an owner may use his or her Unit as a "home office," provided that clients, customers, vendors and employees do not regularly visit the "home office." All common elements shall be used in a manner conducive to such purpose. No Unit owner shall be permitted to lease his or her Unit for a period of fewer than 30 days. No Unit owner may lease less than the entire Unit. Any agreement to lease a Unit shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and that any failure by the tenant to comply with the terms of such documents shall be a default under the lease. Leasing of Units shall be governed by Section 7.14 of these Bylaws.

7.2 ***Restriction on Alteration to Unit***. No owner shall make structural alterations or installations in his or her Unit without previously notifying the Association in writing by certified mail to the management agent, if any, or to the Chairperson of the Board of Directors, if no management agent is employed. The Association shall answer within 30 days of receipt of such notice, and failure to do so within the stipulated time shall mean that it does not object to the proposed alteration or installation. Provided, however, that nothing herein contained shall waive or limit an owner's obligation to comply with the provisions of ORS 100.535.

7.3 ***Use of Common Elements***. No owner shall place or cause to be placed in the lobbies, vestibules, or stairways or on the patios, decks, ramps, or other common elements of the Condominium of a similar nature, any furniture, packages, barbecues, or objects of any kind. Such areas shall not be used for any purpose that is not appropriate, customary and acceptable to the Board of Directors.

7.4 ***Pets***. No animals or pets of any kind shall be kept in any Unit or on any portion of the Condominium property, unless the pet weighs no more than 20 pounds, or unless prior written consent is given by the Board of Directors, which consent may be withheld in the Board's exclusive discretion. In any event, pets shall be limited to one pet per Unit, a dog or cat, which shall be on a leash or in a pet carrier when allowed outside the Unit.

7.5 ***Aquariums; Water-Filled Furniture***. No aquariums over 2 gallons in volume or water-filled furniture (specifically including waterbeds) shall be kept in any Unit or on any portion of the Condominium unless prior written consent is given by the Board of Directors, which consent may be withheld in the Board's exclusive discretion.

7.6 ***Appearance of Condominium Building***. No Unit owner shall cause anything to be hung, displayed, or placed on the walls, railings, doors, windows, walkways, fences, ceilings of walkways or roof of the Condominium building or any other common element or otherwise change the appearance of any portion of the common elements without the prior written consent of the Board of Directors. No clothes lines or similar devices and no "For Sale" or "For Rent" signs shall be allowed on any part of the Condominium property without the prior written

consent of the Board of Directors, except that the Declarant may post reasonable signs advertising any Unit for sale or rent in reasonable places on the Condominium property.

7.7 ***Nuisances***. No nuisances or any use or practice that is the source of annoyance to residents or that interferes with the peaceful possession and proper use of the Property by its residents shall be allowed on the Condominium property. Residents shall exercise extreme care about creating disturbances, making noises or using musical instruments, radios, televisions, and amplifiers that may disturb other Residents. All parts of the Condominium shall be kept in a clean and sanitary condition; no rubbish, refuse, or garbage shall be allowed to accumulate; and no fire or environmental hazard shall be allowed to exist. All garbage and trash shall be placed inside disposal containers. No Unit owner shall make or permit any use of his or her Unit or make any use of the common elements that would increase the cost of insurance on the Condominium property.

No owner shall hang garments, towels, rugs, or similar items from any window, façade, fence, or any other part the Condominium exterior or common elements or hang or shake dust rags, mops, or similar items from any window or clean such items by beating them on an exterior part of the Condominium.

7.8 ***Improper, Offensive, or Unlawful Use***. No improper, offensive, or unlawful use shall be made of the Condominium property or any part of it; all valid laws, zoning ordinances, and regulations of governmental bodies having jurisdiction shall be observed. The responsibility for meeting the requirements of governmental bodies for maintenance, modification, and repair of the Condominium property shall be carried out and paid for in the same manner as the responsibility for the maintenance and repair of the property concerned.

7.9 ***Restriction on Exterior Installations***. Except as permitted by law, no owner, resident, or tenant shall install wiring for electrical or telephone installation, machines, or air conditioning units or similar devices on the exterior of the Condominium building or cause them to protrude through the walls or the roof of the Condominium except as authorized in writing by the Board of Directors, and, if the modification or installation would require an easement pursuant to the Declaration, then prior approval by the required percentage of Unit owners. No window guards, awnings or exterior shades shall be installed without the prior written consent of the Board of Directors.

7.10 ***Satellite Dishes and Antennae.*** Except as otherwise provide by law, this section, or the Board of Directors, no exterior antennae, satellite dishes, microwave, aerial, tower, or other devices for the transmission or reception of television, radio, or other forms of sound or electromagnetic radiation shall be erected, constructed, or placed on any Unit or any common elements. The Board may, in its discretion and in accordance with applicable law, permit such devices and adopt reasonable rules and regulations governing the installation, safety, placement, and screening of such antennae, satellite dishes, and other transmission devices. Such rules shall not unreasonably delay or increase the cost of installation, maintenance, or use or preclude reception of a signal of acceptable quality.

7.11 ***Parking***. The parking spaces designated as general or limited common elements in the Declaration are intended for use of automobiles of owners and guests. The Directors may make such rules as may be necessary to govern the use of any general or any limited common element parking areas by which all owners and other users shall be bound. Provided, however, that no such rule shall prohibit, restrict, or change a parking assignment without the written consent of the owner of the Unit to which such assignment or right pertains.

7.12 ***Vehicle Restrictions***. The speed of vehicular traffic on the parking areas and driveways on Condominium property shall be limited to 5 miles per hour as a safety precaution. This speed limit shall apply to bicycles, motor scooters, motorcycles, automobiles, and trucks. No recreational vehicles, campers, trailers, boats, boat trailers, vehicles in disrepair, or similar things may be parked or kept on Condominium property without the prior written consent of the Board of Directors.

7.13 ***Use of Recreational and Common Facilities***. Recreational areas and all other general common elements, including any common garden and common courtyard areas, are provided for the use of the owners and their guests. Rules and regulations setting forth the hours of the various facilities shall be available for use and the conditions attendant thereto shall be posted. Use of recreational and common facilities shall be conditioned on compliance with such rules and regulations.

7.14 ***Leasing/Renting Units***. Subject to approval by the Board of Directors, a Unit owner may rent or lease his or her entire Unit for a period of not less than 30 days, provided that the occupancy is only by the lessee and the lessee's visitors and guests. No rooms may be rented and no transient tenants may be accommodated. Before entering into any such agreements, a Unit owner shall notify the Board of Directors of his or her intent, the name and address of the proposed tenant, and the circumstances of the proposed arrangement. If the Board of Directors finds that such proposed tenancy shall not violate the terms of or otherwise impair any trust deed, mortgage or other financing instrument pertaining to the Condominium, would not be detrimental to the Association, the well-being of the Condominium, or the enjoyment by other Unit owners of their Units and the common elements, it shall approve such tenancy. Provided, however, that such tenants shall always be under the control of and subject to the Declaration, Bylaws, rules and regulations of the Association and the Board of Directors. At any time during the tenancy, the Board of Directors may cause its termination and evict such tenants for cause with or without joining the Unit owner of such Unit in any such action. All leases entered into under this section shall be in writing.

7.15 ***Use of Parking Spaces***. Parking Spaces shall be used for parking vehicles, recreational vehicles and equipment or storage of nonhazardous and nonflammable materials.

7.16 ***Fines***. The Board of Directors may, after giving written notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, and rules and regulations of the Association, provided that fines levied are based on a schedule

previously adopted by Board resolution that is mailed to the mailing address of each Unit or mailed to the mailing address designated in writing by the owner(s).

7.17 ***Additional Rules***. Rules and regulations concerning other use of the Condominium property and Units and administration of the Association may be made and amended from time to time by the Association or the Board of Directors. Copies of such rules and regulations shall be furnished to all Unit owners and residents of the Condominium upon request.

7.18 ***Covenants, Conditions, Restrictions and Easements in Other Documents***. In addition to the provisions of the Declaration, the Articles of Incorporation, the Bylaws, and any rules and regulations promulgated thereunder, each owner of a Unit in the Condominium may be subject to the covenants, conditions, restrictions, easements, and assessments as set forth in the following instruments recorded in the official records of Clackamas County, Oregon:

7.18.1 Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the document recorded May 7, 1925 at Book 178, page 403, and modified February 11, 1957 at Book 521, page 703.

7.18.2 Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the document recorded December 31, 1931 at Book 214, page 191.

7.18.3 Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the document recorded July 19, 1941 at Book 283, page 41.

7.18.4 Party Wall Agreement, including the terms and provisions thereof, between owners of the subject property and adjoining property to the north, recorded March 22, 1951 at Book 442, page 481.

ARTICLE 8
Insurance

The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in the amounts hereinafter provided, including insurance for such other risks of a similar or dissimilar nature as are or hereafter customarily shall be covered with respect to other condominiums similar in construction and design, and which insurance shall be governed by the provisions in this numbered section.

8.1 ***Types of Insurance Policies.*** For the benefit of the Association and the owners, the Board of Directors shall obtain and maintain at all times, and shall pay for out of the common expense funds, the following insurance to the extent that it is available at reasonable cost:

8.1.1 A policy or policies of property insurance, including, but not limited to, fire, extended coverage, vandalism, and malicious mischief, for the full insurable replacement value, if available, of all the Units and common elements, and such other fire and casualty insurance as the Board of Directors shall determine, to give substantially equal or greater protection to the owners and their mortgagees, as their respective interests appear, which policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, if any, of each Unit. For the purposes of any policy or policies of fire insurance, the term *building* shall include fixtures (including cabinets, built-in appliances, and plumbing fixtures), installations or additions comprising a part of the building within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual Condominium Units initially installed or replacement thereof, in accordance with the original Condominium plans or specifications, or installed by or at the expense of any Unit owner or owners.

8.1.2 A policy or policies insuring the Association, its Board of Directors, the Unit owners individually, and the manager against any liability to the public or the owners of Units and their invitees or tenants, incident to the ownership, supervision, control, or use of the project. Limits of liability under such insurance shall not be less than $1 million per occurrence for bodily injuries and property damage. Such limit and coverage shall be reviewed at least annually by the Board of Directors, which, in its discretion, may increase either. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsements wherein the rights of a named insured under the policy or policies shall not be prejudiced with respect to his or her action against another named insured.

8.1.3 Workers' compensation insurance to the extent necessary to comply with any applicable laws.

8.1.4 A fidelity bond naming such persons as may be designated by the Board of Directors as principals and the Association and the owners as obligees, for the amount determined by the Board of Directors. Provided, however, that the Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds obtain adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

The Association shall not be responsible for any loss or damage to personal property of any owner, whether stored on the common elements or in the owner's Unit; nor shall the Association maintain any insurance coverage for such loss.

8.2 ***Insurance Companies Authorized.*** All policies shall be written by a company licensed to do business in Oregon and holding a "Commissioner's rating" of "A+" and a size

rating of "AAA," or better, by Best's Insurance Reports, or as may be otherwise acceptable to all mortgagees and directors.

8.3 ***Authority to Adjust Losses***. All losses under policies hereafter in force regarding the property shall be settled exclusively with the Board of Directors or its authorized representative; provided, however, that when a first mortgagee has been designated as a loss payee by a Unit owner and such first mortgagee has requested the opportunity to exercise the rights provided by this Article 8, such mortgagee shall be entitled to settle losses as to the mortgaged Unit, provided that the loss which occurs is severable. Releases and proofs of loss shall be executed by at least two directors.

8.4 ***Value of Owner Improvements***. Each owner must inform the Board of Directors of the value of improvements made to his unit in excess of $1,000 so that the Board of Directors may make any desired adjustments in insurance coverage. Nothing in this paragraph shall permit an owner to make improvements without first obtaining the approval of the Board of Directors pursuant to Article 7.2.

8.5 ***Provisions in Insurance Policies***. The Board of Directors shall make every effort to secure insurance policies that provide for the following:

8.5.1 A waiver of subrogation by the insurer as to any claims against the Board of Directors, the manager, the Unit owners, and their respective servants, agents and guests.

8.5.2 A provision that the master policy on the Condominium cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual owners.

8.5.3 A provision that the master policy on the Condominium cannot be canceled, invalidated, or suspended on account of the conduct of any officer or employee of the Board of Directors or the manager without prior demand in writing that the Board of Directors or the manager cure the defect.

8.5.4 A provision that any "no other insurance" clause in the master policy exclude individual owners' policies and not otherwise prevent such individual policies from providing coverage for damage to Units or common elements.

8.6 ***Reconstruction Costs***. If the Association is required or elects to reconstruct any common element or Unit that has been damaged or destroyed, an affected Unit owner (i.e., the owner whose Unit or limited common element has been damaged or destroyed) shall contribute to the Association all amounts received by such owner from property loss insurance policies to help pay for the repairs. To the extent that such insurance proceeds are unavailable or unpaid when needed, the Association shall assess such owner the amount of the Association's "deductible" under its policy to pay the cost of repairing or reconstructing such owner's Unit or

limited common elements. Such assessment shall be both a personal obligation of such owner and a lien against such owner's Unit in the same manner as any other Association assessment.

8.7 ***Insurance Deductible/Owner and Tenant Insurance.*** The Board of Directors shall determine the amount of the deductible for property loss insurance policies, as well as other insurance policies required to be procured by the Association under this Article 8. In determining the deductible under the policies, the Board shall take into consideration, among other factors, the availability, cost, and loss experience of the Association. In this regard, as in other Board responsibilities, the Board members shall exercise their reasonable business judgment.

The Association shall have no responsibility to procure or assist in procuring property loss insurance for any owner or tenant for (a) damage to a Unit or limited common elements not covered by the Association's policy (because of the deductible amount or because the claim for loss or damage is one not normally covered by fire and property loss insurance policies with extended coverage endorsements) or (b) for any damage or loss to the owner's or tenant's personal property. Owners shall be responsible for purchasing insurance policies insuring their Units and appurtenant limited common elements for any losses below the deductible amount under the Association's policies and for insuring their own personal property for any loss or damage. Proof of such insurance coverage shall be provided to the Association's Secretary by the Unit owner. Tenants shall be responsible for insuring their own personal property for any loss or damage. The Board of Directors shall notify all owners of the amount of the deductible under the Association policies. To the extent reasonably practicable, the Board of Directors shall give at least 30 days' notice to the owners of any increase in the deductible proposed in renewal or replacement insurance policies. Owners and tenants of all Units shall procure and maintain comprehensive liability policies having combined limits of not less than $50,000 for each occurrence. Such insurance shall provide coverage for, without limitation, the negligent acts of the owner(s) and tenant(s) and their guests or other occupants of the Unit(s) for damage to the general and limited common elements and other Units and the personal property of others located therein.

8.8 ***Review of Insurance Policies.*** At least annually, the Board of Directors shall review all insurance carried by the Association, which review shall include a consultation with a representative of the insurance carrier writing the master policy.

8.9 ***Duplicate Insurance Coverage.*** In the event of duplicate insurance coverage, the insurance policy obtained by the Unit owners shall be deemed to be the primary coverage.

ARTICLE 9
Damage and Destruction

9.1 ***Insurance Proceeds Sufficient to Cover Loss.*** In case of fire, casualty, or any other damage and destruction, the insurance proceeds of the master policy, if sufficient to reconstruct the buildings damaged or destroyed, shall be applied to such reconstruction.

9.2 ***Insurance Proceeds Insufficient to Cover Loss.*** If the insurance proceeds are insufficient to reconstruct the damaged or destroyed buildings, the damage to, or destruction of, such buildings shall be promptly repaired and restored by the manager or the Board of Directors, using the proceeds of insurance, if any, on such buildings for that purpose and all the Unit owners shall be liable for assessment for any deficiency for such reconstruction, such deficiency to take into consideration as the owner's contribution any individual policy insurance proceeds provided by such owner. Provided, however, that if three-fourths or more in value of the building is destroyed or substantially damaged, and if the owners of at least 60% of the Units so vote, and on written approval of the holders of first mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium, the manager or Board of Directors shall record with the County Recorder a notice setting forth such facts, and upon the recording of such notice:

9.2.1 The Condominium property shall be deemed to be owned in common by the owners.

9.2.2 The respective interest of each Unit owner in the property shall be determined by the provisions of ORS 100.610 that are in effect on the date the Condominium Declaration is recorded.

9.2.3 Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owners in the project.

9.2.4 The Condominium shall be subject to an action for partition at the suit of any owner. If a decree or partition orders the sale of the Condominium property, the net proceeds of sale, together with the net proceeds of the policies of insurance on the Condominium, if any, shall be considered as one fund and shall be divided among all of the owners in proportion to their respective undivided interests, after first paying, out of the respective shares of the owners, to the extent such share is sufficient for the purpose, all liens on the undivided interest in the project owned by each owner.

9.3 ***Architectural Changes After Damage or Destruction.*** Reconstruction of the damaged or destroyed building as used in this Article means restoring the building to substantially the same condition in which it existed prior to the fire, casualty or disaster, and shall be performed substantially in accordance with the Declaration and the original plans and specifications unless other action is approved in writing by the holders of first mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium. Such reconstruction shall be accomplished under the direction of the manager or the Board of Directors.

Notwithstanding all other provisions hereof, the owners may, by an affirmative vote of sufficient owners, amend these Bylaws, cause an amendment to be made to the Condominium documents so as to facilitate architectural changes to the owners affected thereby and the Association deem desirable if, and only if, the partial or total destruction of the Condominium by fire, casualty, or any other disaster is so great as to require the substantial reconstruction of the whole of the Condominium, and on written approval by holders of first mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium. Provided, however, that any such amendment of such Condominium documents shall be valid only upon (a) compliance with all applicable provisions of the Oregon Condominium Act; (b) approval by the Oregon Real Estate Commissioner; (c) recording thereof with the recording officer of Clackamas County; and (d) recording with that recording officer of the approval thereof of each mortgagee and each other lienholder of record having a lien against any part of the project affected by such amendment.

9.4 ***Reallocation of Percentage Interest.*** In the event of a partial destruction of the Condominium buildings or Units therein, the Unit owners may not reallocate percentages of interest in the common elements without the prior approval of the Mortgagees of all of the remaining Units, whether existing in whole or in part. Any such reallocation shall also comply with the Oregon Condominium Act and other provisions of the Declaration and the Bylaws.

ARTICLE 10
Condemnation

The Board of Directors shall have the sole authority to negotiate with any public or private body or person having the power of eminent domain and to sue or defend in any litigation involving such bodies or persons with respect to the common elements of the Condominium and shall assist any Unit owner whose Unit (or a part thereof) is the subject of any condemnation or eminent domain proceeding. Provided, however, that nothing in this or any document or agreement relating to the Condominium shall be construed to give a Unit owner or any party priority over the rights of the first mortgagees of any Condominium Units in the case of a distribution to the Unit owner of any such condemnation awards or losses to or a taking of a Unit and/or the common elements. In the event of a taking or acquisition of part or all of the common elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association, or any trustee, for the use and benefit of the Unit owners and their mortgage holders as their interest may appear. The Board of Directors shall distribute the proceeds of any such award or settlement on a reasonable and equitable basis among the Unit owners.

ARTICLE 11
Amendments to Bylaws

These Bylaws may be amended by the owners holding a majority of the total voting rights allocated to the Units in a duly constituted meeting or ballot meeting called for such purpose, and no amendment shall take effect unless approved by owners holding a majority of the voting rights as otherwise set forth in the Declaration. Any amendments adopted hereunder

shall be reduced to writing and certified by the Chairperson and Secretary of the Association to be the amendment so adopted by the Association. Such amendment so certified shall be approved by the Real Estate Commissioner, if required by law, and recorded in the Deed Records of Clackamas County, Oregon. Provided, however, that no amendment of these Bylaws reducing or eliminating the right of any first mortgagee shall be made without the prior written consent of such first mortgagees. Provided, further, that no amendment of these Bylaws may be made without the consent of the Declarant so long as Declarant owns any Unit in the Condominium, but no consent shall be required after conveyance to owners other than Declarant of 75% of the Units or 3 years after the first conveyance of a unit in the Condominium, whichever is earlier. Provided, however, that even thereafter, no amendment may limit Declarant's special rights, whether reserved in the Declaration, these Bylaws, or as otherwise provided by law. ANY AMENDMENTS TO THESE BYLAWS MADE WITHIN 5 YEARS OF THE RECORDING DATE HEREOF MUST BE APPROVED BY THE OREGON REAL ESTATE COMMISSIONER PRIOR TO RECORDING.

ARTICLE 12
Records and Audits

12.1 ***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 as required by ORS 100.480. The Board of Directors shall maintain a list of owners entitled to vote at meetings of the Association and a list of all mortgagees of Units insofar as those names have been provided to the Board by the owner or mortgagee. Proxies and ballots must be retained by the Association for one year from the date of determination of the vote.

12.2 ***Records 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 elements, itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the Unit owners and mortgagees during convenient weekday hours.

12.3 ***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 on the account, and the balance due on the assessments.

12.4 ***Payment of Common Expenses.*** The Board of Directors shall authorize the Treasurer, the management agent, or another specified party to pay all legitimate expenses of the Association. Such payments shall be made pursuant to the payment system instituted by the Board of Directors as described in Section 4.3.4 of these Bylaws.

12.5 ***Reports and Audits.*** The Board of Directors shall prepare or cause to be prepared an annual report of the receipts and expenditures of the Association and a balance sheet and income and expense statement setting forth the financial condition of the Association as of the end of each year. The report shall be prepared according to generally accepted accounting procedures and shall be distributed to all Unit owners within 90 days after the end of each fiscal year. At any time and at his or her own expense, any owner or mortgagee may cause an audit or inspection to be made of the books and records of the Association.

12.6 ***Notice of Sale, Mortgage, Rental, or Lease.*** Immediately on the sale, mortgage, rental, or lease of any Unit, the Unit owner shall promptly inform the Secretary of manager of the name and address of such purchaser, vendee, mortgagee, lessee, or tenant. This obligation is in addition to those set forth in Section 7.14.

12.7 ***Annual Report.*** The Board of Directors shall cause an Annual Report, including any amendments, to be filed with the Oregon Real Estate Agency, pursuant to the provisions of ORS 100.250 and ORS 100.260.

ARTICLE 13
Compliance

These Bylaws are intended to comply with the provisions of the Oregon Condominium Act, which are incorporated herein and to supplement the provisions of the Condominium Declaration. If any of the provisions herein conflict with the provisions of the statutes, the statutory provisions shall control. If any of the provisions herein conflict with the provisions of the Declaration, the provisions of the Declaration shall control.

ARTICLE 14
Indemnification of Directors, Officers, Employees and Agents

The Association must indemnify any Director, officer, employee, or agent who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by the Association) by reason of the act that he or she is or was a Director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the suit, action, or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe that his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, does not of itself create a presumption that a person did not act in good faith and in a manner that he or she reasonably believe to be in, or not

opposed to, the best interests of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe that his or her conduct was unlawful. Payment under this clause may be made while the claim, action, suit, or proceedings is pending subject only to the right of the Association to be reimbursed, should it be proven at a later time that the person had no right to such payments. All persons who are ultimately held liable for their actions on behalf of the Association as a Director, officer, employee, or agent have a right of contribution over and against all other Directors, officers, employees, or agents and members of the Association who participated with or benefited from the acts that created said liability.

ARTICLE 15
Assessment and Collection Costs; Suits and Actions

Whether or not a suit or action is commenced, Unit owners are obliged to pay reasonable fees and costs, including, but not limited to, attorney fees (whether or not suit or action is commenced) incurred in connection with efforts to collect delinquent and unpaid assessments, fines, and enforcement of the Declaration, Bylaws, or rules and regulations of the Association. In addition to the assessment for operating expenses and the funding of reserves, assessments may include fees, late charges, fines, and interest imposed pursuant to ORS 100.405(4)(i)-(k).

If a suit or action is commenced by the Directors to collect any amounts due pursuant to these Bylaws or for the enforcement of any provisions of the Bylaws or of the Oregon Condominium Act, the owner or owners, jointly and severally, will in addition to all other obligations pay the costs of that suit or action, including reasonable attorney fees to be fixed by the trial court and, in the event of an appeal, the cost of the appeal, together with reasonable attorney fees in the appellate court to be fixed by the court.

ARTICLE 16
Miscellaneous

16.1 ***Notices***. All notices to the Association or to the Board of Directors shall be sent in care of the managing agent, or, if there is no such managing agent, to the principal office of the Association or to such other address as the Board of Directors may designate from time to time. All notices to any Unit owner must be sent to the address designated by the owner from time to time, in writing, to the Board of Directors or, if no address has been designated, then to the owner's Unit.

16.2 ***Waiver***. No restriction, condition, obligation, or provision contained in these Bylaws will 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 that may occur.

16.3 ***Invalidity; Number; Captions***. The invalidity of any part of these Bylaws does not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used here, the singular includes the plural, and the plural the singular. The masculine, feminine, and neuter each indicate the masculine, feminine, and neuter, as the context

requires. All captions used here are intended solely for convenience of reference and in no way limit any of the provisions of these Bylaws.

It is hereby certified that these Bylaws have been adopted by State Street Condominiums, LLC, the Declarant of State Street Condominiums, and will be recorded in the Deed Records of Clackamas County, together with the Condominium Declaration for the Condominium, after the Declaration and Bylaws are approved by the assessor of that County.

DATED: February 16, 2006.

STATE STREET CONDOMINIUMS, LLC

By: _____
Its: Member

By: _____
Its: Member

By: _____
Its: Member

STATE OF OREGON)
) ss.
County of Washington)

On this 16th day of February, 2006, personally appeared before me the above-named Scott Conway, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

_____
Notary Public for Oregon
My commission expires: _____

OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 26, 2007

STATE OF OREGON)
) ss.
County of Washington)

On this 16th day of February, 2006, personally appeared before me the above-named Joseph P. Donlon, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 28, 2007

Notary Public for Oregon
My commission expires: _____

STATE OF OREGON)
) ss.
County of Washington)

On this 16th day of February, 2006, personally appeared before me the above-named MARK SANDQUIST, who, being duly sworn, did say that he is the Member of State Street Condominiums, LLC, and that said instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged said instrument to be his voluntary act and deed.

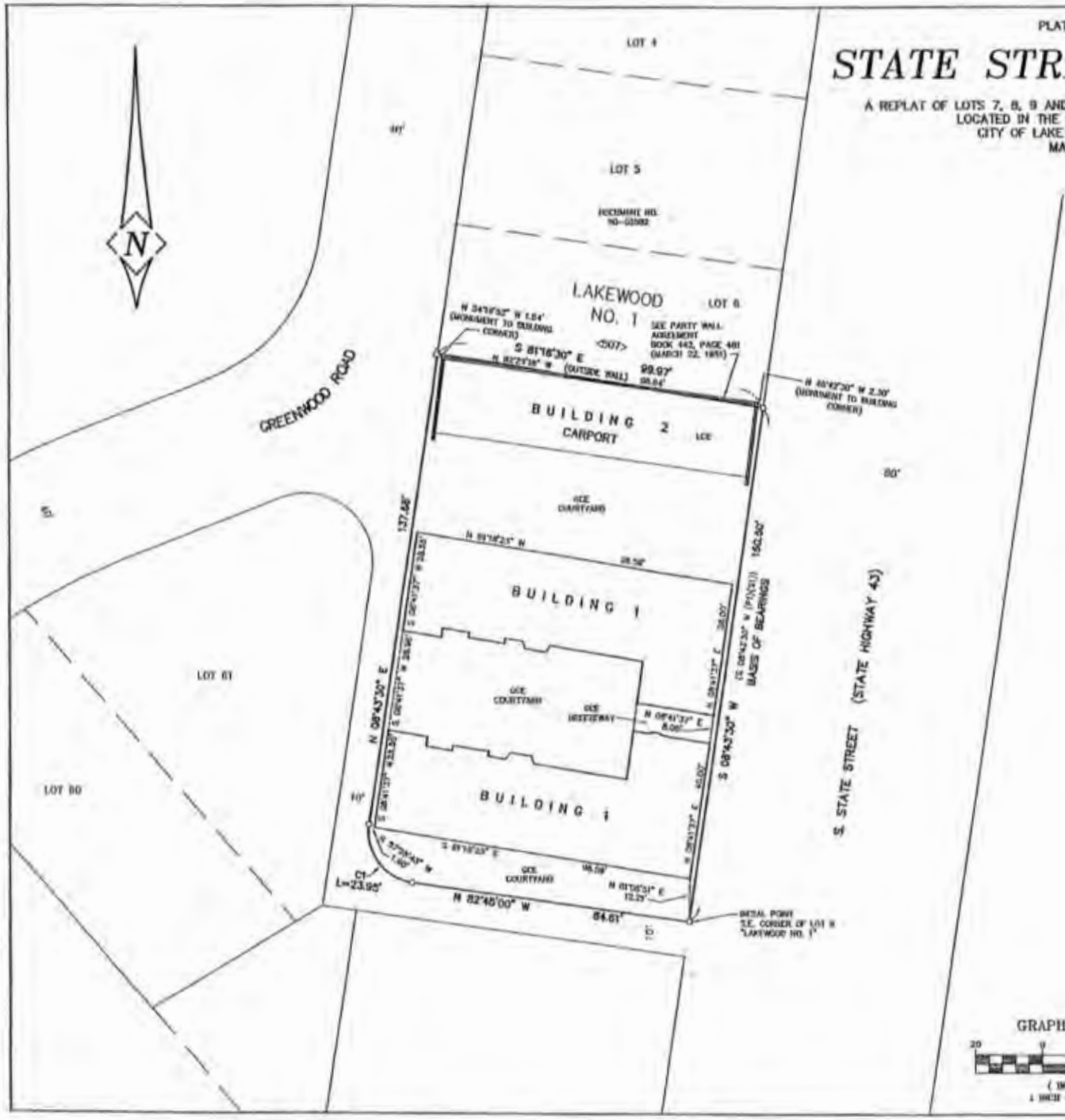
OFFICIAL SEAL
JAMES F. CHRISTMAS
NOTARY PUBLIC-OREGON
COMMISSION NO. 374327
MY COMMISSION EXPIRES NOVEMBER 28, 2007

Notary Public for Oregon
My commission expires: _____

PLAT BOOK 132 PAGE 003 4021

STATE STREET CONDOMINIUM

A REPLAT OF LOTS 7, 8, 9 AND THE SOUTHERLY 10 FEET OF LOT 6, "LAKEWOOD NO. 1",
LOCATED IN THE N.E. 1/4 OF SECTION 10, T.2S., R.1E., W.M.
CITY OF LAKE OSWEGO, CLACKAMAS COUNTY, OREGON
MAY 2, 2005 SCALE 1"=20'
SHEET 1 OF 4



CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD
C1	23.95'	15.00'	91°28'30"	N 37°00'45" W	21.48'

LEGEND:

○ FOUND 5/8" IRON ROD W/ RED PLASTIC CAP SCRIBED "CENTERLINE CONCEPTS INC." FROM SN 2005-211

△ FOUND 1.17" BRASS DISC "DEBRITSEN 1972" IN ROCK WALL SCRIBED "CENTERLINE INC." FROM SN 2005-211

( ) = RECORD DISTANCES & BEARINGS
< > = PLAT NUMBER
IR = IRON ROD IP = IRON PIPE
FD = FOUND W/ = WITH
R/W = RIGHT OF WAY
SN = SURVEY NUMBER
CLACKAMAS COUNTY SURVEY RECORDS
P1 = "LAKEWOOD NO. 1"
S.F. = SQUARE FEET
S1 = SN 2005-211
GCE = GENERAL COMMON ELEMENT
LCE = LIMITED COMMON ELEMENT

SHEET INDEX:

SHEET 1 = SURVEY MAP, BASIS OF BEARINGS AND LEGEND

SHEET 2 = UNITS 1 - 10 (MAIN AND UPPER LEVELS) AND COVERED PARKING

SHEET 3 = UNITS 1 - 10 (LOWER LEVEL), ROLLER ROOM, HALLWAY AND SECTIONS

TOTAL UNIT AREA:

UNIT 1 = 1,632 S.F.
UNIT 2 = 1,575 S.F.
UNIT 3 = 1,492 S.F.
UNIT 4 = 1,167 S.F.
UNIT 5 = 1,266 S.F.
UNIT 6 = 1,202 S.F.
UNIT 7 = 1,187 S.F.
UNIT 8 = 1,499 S.F.
UNIT 9 = 1,514 S.F.
UNIT 10 = 1,624 S.F.

SIGNED ON: 2-16-06

REGISTERED PROFESSIONAL LAND SURVEYOR

Wade G. Donovan III

OREGON
JULY 16, 1997
WADE G. DONOVAN III
2376

VALID THROUGH DECEMBER 31, 2007

I CERTIFY THAT THIS PLAT WAS PREPARED USING HP PROJECT #5884GA ON CONTINENTAL #MPC4M2 POLYESTER FILM

I HEREBY CERTIFY THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL CONDOMINIUM PLAT

GRAPHIC SCALE

20 0 20 40

(IN FEET)
1 INCH = 10 FEET

Centerline Concepts Inc.
700 MOLALLA AVENUE, OREGON CITY, OREGON 97045
503 650-0188 FAX 503 650-0189

DRAWN BY:MSG CHECKED BY:WGDIS ACCOUNT # 1443-01
M:\PROJECTS\BISTCASCADE-01\FIRST-CONDO

PLAT BOOK 132 PAGE 003 4021

STATE STREET CONDOMINIUM

A REPLAT OF LOTS 7, 8, 9 AND THE SOUTHERLY 10 FEET OF LOT 6, "LAKEWOOD NO. 1",
LOCATED IN THE N.E. 1/4 OF SECTION 10, T.2S., R.1E., W.M.
CITY OF LAKE OSWEGO, CLACKAMAS COUNTY, OREGON
MAY 2, 2005 SCALE 1" = 10'
SHEET 2 OF 4

SIGNED ON 2-16-06

REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON JULY 16, 1987 WADE G. DONOVAN III 2278

VALID THROUGH DECEMBER 31, 2007

I CERTIFY THAT THIS PLAT WAS PREPARED USING 19" PROJECT #S1604A ON CONNECTION APCHMZ POLYESTER FILM

I HEREBY CERTIFY THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL CONDOMINIUM PLAT

Centerline Concepts Inc.

700 MOLALLA AVENUE, OREGON CITY, OREGON 97045
503 650-0198 FAX 503 650-0199

DRAWN BY:MD CHECKED BY:WGD ACCOUNT # 1443-01
M:\PROJECTS\WESTCASCADE-01\WEST-CONDO

GRAPHIC SCALE

10 0 10 20

(IN FEET)
1 INCH = 10 FEET

BUILDING 2
CARPORT

GROUND (ASPHALT) ELEVATION 135.71
CEILING ELEVATION 135.71

GROUND (ASPHALT) ELEVATION 135.31
CEILING ELEVATION 135.31

NOTES:

1. BASIS OF ELEVATIONS: LAKE OSWEGO IS MONUMENT FTN-1, LOCATED AT HWY 43 AND MERLE CREST ROAD HAVING A BRASS DISC IN THE NORTH END OF THE BOTTOM STEP TO LAKEWOOD ART CENTER ON THE WEST SIDE OF SOUTH STATE STREET, 100' NORTH OF THE CENTERLINE OF MERLE CREST ROAD. STAMPED "145 3211 1934" (FORMERLY KNOWN AS L.O. #50-142 IS, USC & GS-145 1AT) LAKE OSWEGO ELEVATION OF 145.141 NGVD'29

2. ALL BUILDING LINES ARE PARALLEL AND OR PERPENDICULAR TO EACH OTHER UNLESS OTHERWISE NOTED.

GCE = GENERAL COMMON ELEMENT
V = VERTICAL HEIGHT
S.F. SQUARE FEET
LCE = LIMITED COMMON ELEMENT

BUILDING 1
MAIN LEVEL
FINISH FLOOR ELEVATION 135.66'

BUILDING 1
UPPER LEVEL
FINISH FLOOR ELEVATION 144.96'

BUILDING 1
MAIN LEVEL
FINISH FLOOR ELEVATION 135.66'

BUILDING 1
UPPER LEVEL
FINISH FLOOR ELEVATION 144.96'

SIGNED ON: 2-16-06

REGISTERED PROFESSIONAL LAND SURVEYOR

Wade G. Donovan III

OREGON
JULY 16, 1997
WADE G. DONOVAN III
2276

VALID THROUGH DECEMBER 31, 2007

I CERTIFY THAT THIS PLAT WAS PREPARED USING HP PRODUCT #81840A ON CONTINENTAL #PC4M2 POLYESTER FILM

I HEREBY CERTIFY THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL CONDOMINIUM PLAT

Centerline Concepts Inc.

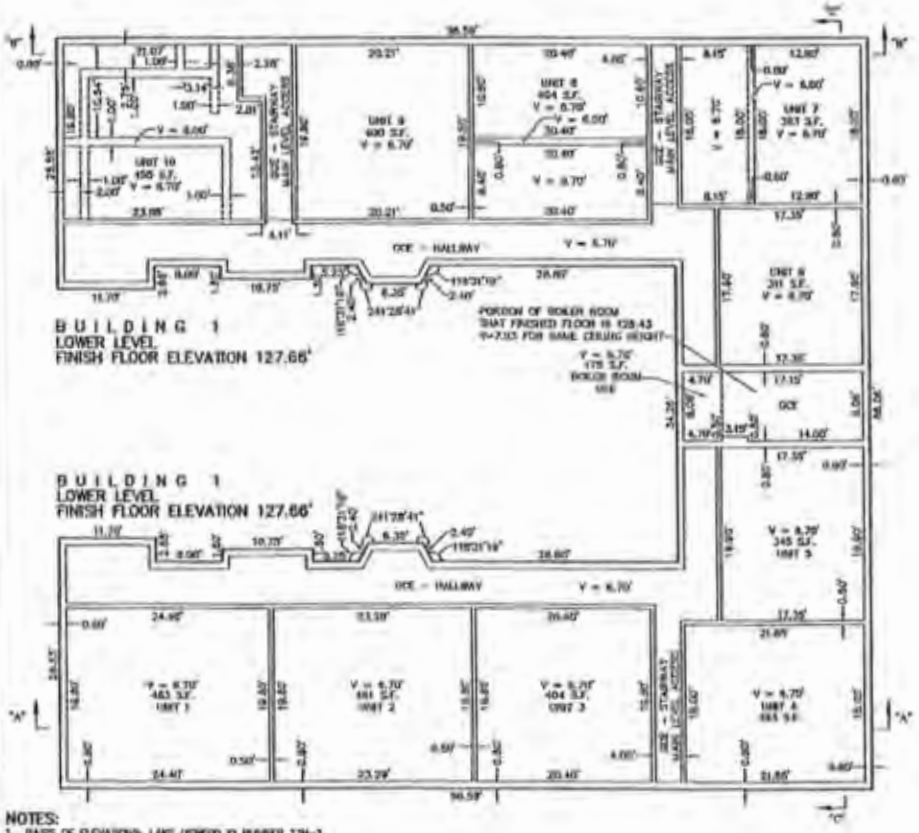
100 MOLALLA AVENUE, OREGON CITY, OREGON 97045
503 650-0188 FAX 503 650-0189

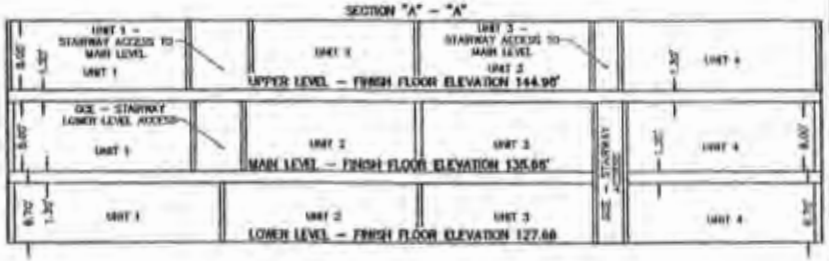
DRAWN BY: MRG CHECKED BY: WGDB ACCOUNT #1443-01
M:\PROJECTS\FIRSTCASCADE-01\FIRST-CONDO

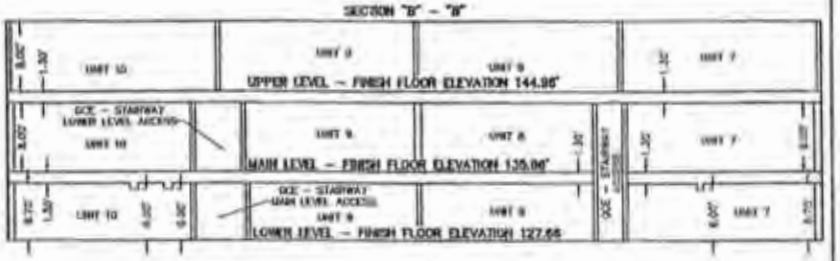
PLAT BOOK 132 PAGE 003 4021

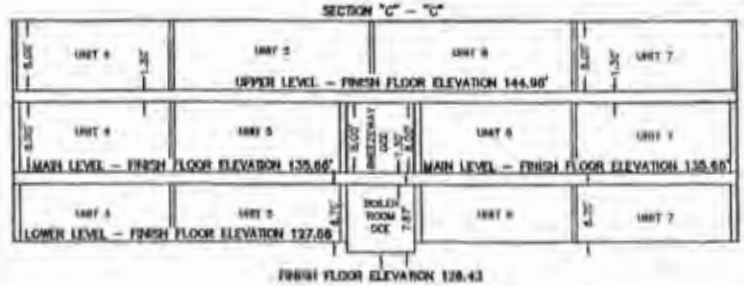
STATE STREET CONDOMINIUM

A REPLAT OF LOTS 7, 8, 9 AND THE SOUTHERLY 10 FEET OF LOT 6, "LAKEWOOD NO. 1", LOCATED IN THE N.E. 1/4 OF SECTION 10, T.2S., R.1E., W.M.
CITY OF LAKE OSWEGO, CLACKAMAS COUNTY, OREGON
MAY 2, 2005 SCALE 1" = 10'
SHEET 3 OF 4









NOTES:

1. BASIS OF ELEVATIONS: LAKE OSWEGO ID NUMBER 17H-1, LOCATED AT HWY 43 AND MIDDLE CREST ROAD BEING A BRASS ROD IN THE NORTH END OF THE BOTTOM STEP TO LAKEWOOD ART CENTER ON THE WEST SIDE OF SOUTH STATE STREET, 150' NORTH OF THE CENTERLINE OF MIDDLE CREST ROAD. STAMPED "145 8211 1934" (FORMERLY KNOWN AS L.O. #159-143-15, USC & GS=145.137) LAKE OSWEGO ELEVATION OF 145.141 [illegible]

2. ALL BUILDING LINES ARE PARALLEL AND OR PERPENDICULAR TO EACH OTHER UNLESS OTHERWISE NOTED.

GCE = GENERAL COMMON ELEMENT
V = VERTICAL HEIGHT
S.F. SQUARE FEET
LCE = LIMITED COMMON ELEMENT

GRAPHIC SCALE

10 0 10 20

(IN FEET)
1 INCH = 10 FEET

PLAT BOOK 132 PAGE 003 4021

STATE STREET CONDOMINIUM

A REPLAT OF LOTS 7, 8, 9 AND THE SOUTHERLY 10 FEET OF LOT 6, "LAKEWOOD NO. 1",
LOCATED IN THE N.E. 1/4 OF SECTION 10, T.2S., R.1E., W.M.
CITY OF LAKE OSWEGO, CLACKAMAS COUNTY, OREGON
MAY 2, 2005
SHEET 4 OF 4

NARRATIVE:

1. THE PURPOSE OF THIS SURVEY IS TO PLAT A CONDOMINIUM ON THE TRACT OF LAND DESCRIBED IN DOCUMENT NO. 2005-083184, CLACKAMAS COUNTY DEED RECORDS.

2. BASIS OF BEARINGS AND BOUNDARY DETERMINATION ARE PER SURVEY NO. 2005-211.

NOTES AND PLAT RESTRICTIONS:

1. BASIS OF ELEVATIONS: LAKE OSWEGO GI MONUMENT 176-1, LOCATED AT EXIT 43 AND MIDDLE GROVE ROAD BEING A BRASS DISC IN THE NORTH END OF THE CENTER STEP TO LAKEWOOD ART CENTER ON THE WEST SIDE OF SOUTH STATE STREET, 1547 NORTH OF THE CENTERLINE OF MIDDLE GROVE ROAD. STAMPED "140 X311 1934" (FORMERLY KNOWN AS L.O. #158=143.55, 1932, & 159=145.127) LAKE OSWEGO ELEVATION OF 145.181 (NAVD'29)

2. THIS PLAT IS SUBJECT TO THE DECLARATION RECORDED IN BOOK 178, PAGE 163 ON MAY 2, 1925 AND RECORDED IN BOOK 521, PAGE 269 ON FEBRUARY 11, 1937.

3. THIS PLAT IS SUBJECT TO THE DECLARATION RECORDED IN BOOK 314, PAGE 181 ON DECEMBER 31, 1935.

4. THIS PLAT IS SUBJECT TO THE DECLARATION RECORDED IN BOOK 383, PAGE 41 ON JULY 19, 1941.

5. THIS PLAT IS SUBJECT TO THE DECLARATION RECORDED AS DOCUMENT NO. 2006-015516

DECLARATION:

KNOW ALL PEOPLE BY THESE PRESENTS THAT STATE STREET CONDOMINIUMS, LLC, THE OWNER OF THE LAND REPRESENTED ON THE ANNEXED MAP, AND MORE PARTICULARLY DESCRIBED IN THE ACCOMPANYING SURVEYOR'S CERTIFICATE, DOES HEREBY DECLARE THE ANNEXED MAP TO BE A CORRECT MAP OF THE LAND LAID OUT HEREON AS "STATE STREET CONDOMINIUMS" AND DOES HEREBY COMMIT SAID LAND TO THE OPERATION OF THE OREGON CONDOMINIUM ACT. THE PROPERTY AND IMPROVEMENTS DESCRIBED AND DEPICTED ON THE PLAT ARE SUBJECT TO THE PROVISIONS OF OREGON REVISED STATUTES 100.005 AND 100.020 AND RULES AND RESTRICTIONS AS NOTED.

SCOTT CONWAY – PARTNER
STATE STREET CONDOMINIUMS, LLC

JOSEPH P. GORLIN – PARTNER
STATE STREET CONDOMINIUMS, LLC

MARK SAXELBURY – PARTNER
STATE STREET CONDOMINIUMS, LLC

ACKNOWLEDGEMENT:

STATE OF OREGON
COUNTY OF CLACKAMAS } ss

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON February 16, 2006 BY SCOTT CONWAY, JOSEPH P. GORLIN AND MARK SAXELBURY AS PARTNERS ON BEHALF OF STATE STREET CONDOMINIUMS, LLC.

NOTARY SIGNATURE
James C Hrostanos
NOTARY PUBLIC – OREGON
COMMISSION NO.: 374327
MY COMMISSION EXPIRES: November 27, 2007

SURVEYOR'S CERTIFICATE:

I, WADE G. DONOVAN III, HEREBY CERTIFY THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS, THE LAND REPRESENTED ON THE ATTACHED PARTITION MAP, SAID LAND BEING DESCRIBED AS FOLLOWS:

LOTS 7, 8, 9, AND SOUTHERLY 10 FEET OF LOT 6, "LAKEWOOD NO. 1", LOCATED IN THE N.E. 1/4 OF SECTION 10, T.2S., R.1E., W.M., CITY OF LAKE OSWEGO, CLACKAMAS COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INITIAL POINT, SAID POINT BEING A FOUND 5/8 INCH IRON ROD WITH A RED PLASTIC CAP SCRIBED "CENTERLINE CONCEPTS, INC." MARKING THE SE CORNER OF LOT 9, "LAKEWOOD NO. 1"; THENCE N89°45'00"W ON THE SOUTH LINE OF SAID LOT 9, 84.81 FEET TO START OF A 15.00 FOOT RADIUS CURVE; CURVING NORTHEASTERLY; THENCE ON SAID CURVE THROUGH A CENTRAL ANGLE OF 91°39'30" (WHICH CHORD BEARS N31°09'45"W 21.49 FEET), AN ARC DISTANCE OF 23.99 FEET TO THE WEST LINE OF SAID LOT 9; THENCE N08°43'30"E, ON SAID WEST LINE AND THE WEST LINE OF LOTS 8, 7 AND 6, 137.66 FEET TO THE SW CORNER OF THAT TRACT OF AND DESCRIBED IN DOCUMENT NO. 93-03992, CLACKAMAS COUNTY DEED RECORDS; THENCE S81°16'30"E, ON THE SOUTH LINE OF SAID DOCUMENT NO. 93-03992 TRACT 83.87 FEET TO THE SE CORNER THEREOF; THENCE N08°43'30"E ON THE EAST LINE OF SAID LOT 6, 7, 8 AND 9, 150.50 FEET TO THE INITIAL POINT.

SAID TRACT OF LAND CONTAINS 15,103 SQUARE FEET.

SIGNED ON 2-16-06

REGISTERED PROFESSIONAL LAND SURVEYOR
Wade G. Donovan III
OREGON JULY 14, 1987 WADE G. DONOVAN III 2276

VALID THROUGH DECEMBER 31, 2007

I CERTIFY THAT THIS PLAT WAS PREPARED USING MY PRODUCT #15402A ON CONTINENTAL IMPERIAL POLYESTER FILM.

I HEREBY CERTIFY THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL CONDOMINIUM PLAT

APPROVALS:

APPROVED THIS 28th DAY OF February 2006
Carl L Clinton, Deputy
CLACKAMAS COUNTY SURVEYOR

ALL TAXES, FEES, ASSESSMENTS OR OTHER CHARGES AS PROVIDED BY O.R.S. 92.095 HAVE BEEN PAID, THROUGH June 30, 2006
DATED THIS 28 DAY OF February 2006

RAY EMLAND, CLACKAMAS COUNTY ASSESSOR AND TAX COLLECTOR
BY: Elaine Haney
DEPUTY

STATE OF OREGON
COUNTY OF CLACKAMAS } ss

I DO HEREBY CERTIFY THAT THE ATTACHED PLAT WAS RECEIVED FOR RECORD ON THE 28 DAY OF February 2006, AT 3:53 O'CLOCK P.M.

SHERRY HALL, CLACKAMAS COUNTY CLERK
BY: Pam Moe
DEPUTY

COMPLETION CERTIFICATION

I, WADE G. DONOVAN III, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT OF "STATE STREET CONDOMINIUM" FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE UNITS AND OF THE BUILDINGS, AND THAT CONSTRUCTION OF THE UNITS AND BUILDINGS, AS DEPICTED ON SAID PLAT, HAS BEEN COMPLETED.

DATED THIS 16 DAY OF FEBRUARY, 2006
BY: Wade G. Donovan III
WADE G. DONOVAN III P.L.S. 2276

Centerline Concepts Inc.
100 MOLALLA AVENUE, OREGON CITY, OREGON 97045
(503) 650-0188 FAX (503) 650-0189

DRAWN BY: EMS CHECKED BY: WGD JOB/ACCOUNT # 1443-01
M:\PROJECTS\1443\CAD\1443-01\PLAT-03.DWG

hereby covenant to and with the said G.S. & Mary L.Williams, their heirs and assigns that
they are the owners in fee simple of said premises that they are free from all incumbrances,
and that they will warrant and defend the same from all lawful claims whatsoever;
In Witness Whereof we have hereunto set our hands and seals this 5th day of May 1928.
Signed, sealed and delivered George W.Russell (Seal)
in the presence of W.Josephine Russell (Seal)
J...Orr Bond 180 Canceled
O.F.Dillman

State of Oregon)
) ss
County of Clackamas)

On this 5th day of May A.D.1928, personally came before me a duly qualified and for said county and state, the within named Geo. W. & W.Josephine Russell, husband and wife, to me personally known to be the identical persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein named.

Witness my hand and official seals this day and year in this certificate above written.

(Seal of Notary)
O.F.Dillman
My Comm. Exp 8/21/29

Filed and recorded May 7th. 1928, at 10:40 A.M. H.C.Hazlett, County Recorder
By

Sent to register at Oregon City, May 23, 1928
George F.Jewell

THE UNITED STATES OF AMERICA. No 7

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING

Whereas, there has been deposited in the General Land Office of the United States, a Certificate numbered twelve hundred and three of the Register and Receiver at Oregon City, Oregon, whereby it appears that under the provisions of the act of Congress approved the 27th day of September 1890 entitled "An Act to create the office of surveyor general of the public lands in Oregon and to provide for the survey of private land claims in said State", the the legislation supplemental thereto the claim of George F.Jewell of Clackamas County Oregon assignee of No. 3606 has been established and confirmed for the following described tracts of land, and that the same have been surveyed and designated, according to the official plat of survey returned to the General Land Office by the surveyor general as the fractional northeast quarter of the southeast quarter of section five (5) township three south of range two east in the district of lands subject to sale at Oregon City, Oregon, containing the deeded and statutory acres and seventy hundredths of an acre.

Now know ye, that the United States of America in consideration of the premises, and in accordance with the provisions of the act aforesaid, Have given and granted and by these presents do give and grant, unto the said George Jewell, and to his heirs the tract of land above described, To Have and to hold the said tract, with the appurtenances unto the said George F.Jewell and to his heirs and assigns forever;

In testimony thereof, I, Warren Harding, President of the United States have caused these letters to be made Patent and the seal of the General Land Office to be hereunto affixed.

Given under my hand at the city of Washington, this twentieth day of

February in the year of our Lord one thousand nine hundred and forty six and of the Independence of the United States the One-hundred.

(Seal of G.L.O.U.S.A.)

By the President: Warren Harding
By John A.Hall, Secretary
Martin Sweil Acting Recorder of the General Land Office
As Interim

Department of the Interior
General Land Office
Washington, D.C. Apr 15, 1928

I hereby certify that this photograph is a true copy of the patent record which is in my custody in this office

John O'Connell, Acting Recorder

Filed and recorded May 7th, 1928, at 11: A.M. H.C.Hazlett, County Recorder
By

KNOW ALL MEN BY THESE PRESENTS, That The Oregon Iron and Steel Company, a corporation created and existing under the laws of the State of Oregon does hereby certify and declare that the following reservations, conditions, covenants and agreements shall become and are hereby made a part of all conveyances of property platted in the plat of Lakewood, as the same appears on the maps and plats recorded at pages 3 and 4 of Book 20 of the Plat Records of Clackamas County Oregon or which conveyances the following reservations conditions restrictions, covenants and agreements shall become a part by reference and to which they shall thereupon apply as fully and with the same effect as if set forth at large therein;

1. An appurtenant to the property as conveyed there shall be granted therewith the right and privilege to use Oswego Lake, except that portion thereof lying northerly and easterly of Birth Whose Road in Lakewood, known and hereby designated as Lakewood Bay, for bathing and boating and operating pleasure craft thereon, except that the privilege does not include the right or privilege to operate water craft on said Oswego Lake for hire or gain or to maintain bathhouses, house boats, or boathouses, thereon (which rights are hereby reserved to the grantor) unless the prior written consent of the grantor be first had and obtained, and that the privilege hereby granted shall nevertheless under the reasonable control of the grantor.

2. The grantor hereby expressly reserves unto itself its successors and assigns forever all and singular the riparian rights and privileges appertaining to that body of water known as Oswego Lake as extended or artificially created and which are now vested in the said grantor and/or which may hereafter arise or become appurtenant in or to said body of water, and to grantee, purchaser, tenant or occupant of any portion of Lakewood shall have or acquire by deed, contract or otherwise any riparian right, appurtenance, right, title, estate, interest, license or privilege in that certain arm of Oswego Lake known as Lakewood Bay or the waters thereof or shores, landings or appurtenances thereto, save and except the rights and privileges of a member of Lakewood Yacht Club and strictly in accordance with and subject to the rules, usages and regulations as provided by the by-laws of the said Club and amendments thereof, from time to time and not inconsistent with the terms and conditions of the trust deed from the company to the said Club and such rights and/or privileges shall exist only during such time as such person shall be a member of said Club in good standing and shall immediately cease and determine upon the termination or suspension of such membership in

...Club in accordance with the by-laws of said Club; provided, however, the owner of any one or more of lots numbered 91 to 107 inclusive and 215 to 227 inclusive shall at all times while residing on such lot, whether a member of the said Club or not, subject to the payment to said Club of not to exceed of $4000 per year, have the right for himself and his family to use the waters of said Lakewood Bay, together with all swamps or other connections between the said Lakewood Bay and Oswego Lake for swimming, bathing and/or boating and to construct and maintain a wharf at his own cost and expense in front of his own property, within uniform lines to be determined by the said Club, subject to uniform, reasonable rules and regulations and according to uniform plans and specifications to be adopted and promulgated by the said Club or other authorized agency; railing shall be higher than 4 feet above the top of the 150 foot weir on the concrete dam at the easterly end of Oswego Lake and no railing nor other structures shall be more than 8 feet above the wharf level, and all of which railings shall be open.

3. The grantor hereby undertakes for a period of twenty five years from and after the first day of January 1930, to artificially raise and maintain the waters of Oswego Lake except Lakewood Bay to a level which shall not be less than indicated by a point two and one-half feet below the top of an iron pipe four and one half feet long, which pipe is driven on the line between lots two and three of Block 194 of Lake View Villas, projected southerly a distance of 22.00 feet from the northwest corner of lot two of Block 194 of said Lake View Villas. The said pipe aforesaid is witnessed by an "X" on the top of a boulder about four feet square which "X" is south 22 degrees 45 minutes east and 1.42 feet distant from the southwest corner of lot two of Block 194 of Lake View Villas. Said "X" is 10.06 feet above the top of the aforesaid iron pipe. The level of said water as artificially raised shall not be greater than a level which shall be coincident with the top line of Lakewood as platted on Oswego Lake, excepting however, Lots 2047 to 2113 inclusive provided however, anything herein to the contrary notwithstanding that in addition to the reservations herein made, the grantor shall not be liable for the acts of the State or its agents, judicial determination or other acts beyond its control in relation to or affecting the maintenance of the waters of said Oswego Lake as artificially raised or lowered or otherwise; and provided, last of right, title or interest in, or to the land lying within sections ten, township two south and range one east of the Willamette meridian, and covered by the waters of said Oswego Lake as artificially raised or otherwise and lying beyond and immediately adjacent to the limits of Lakewood, as platted and without the meander line of Oswego Lake as ascertained by the United States Government survey thereof, shall pass hereby and the grantor hereby reserves for the period of twenty five years from and after the first day of January 1930, the right and privilege to use the same only for the purpose hereof expressed and/or overflowing; and provided, further that the waters of said Oswego Lake may be temporarily lowered or drained for the purpose of repairing or rebuilding the dams, canals or appurtenances used in connection therewith.

4. No sewage or other refuse matter shall ever be deposited in Oswego Lake, Lakewood Bay or waters bordering therewith or be allowed to be discharged therein, and the grantee or grantees and his, her or their heirs, successors and assigns, covenant and agree to take care and dispose of all sewage and other refuse matter by the installation and maintenance of septic tanks of the most improved description, acceptable to the grantor, or by some other means as are indicated by or which may be acceptable to the grantor, and to connect with the sewer system as soon as the same may be laid to the premises and the grantor reserves the right to lay and maintain a sewer across Lots 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180 inclusive, 201 to 206 inclusive, 213, 214, 215, 216, 217, 218, 219, 220 to 226 inclusive, 228 to 232 inclusive, 234 to 270 inclusive, 286 to 288 inclusive, together with the right of ingress and egress on said lots at all reasonable times to lay, repair, replace, maintain and examine such sewer pipe as building shall be erected or trees or shrubs shall be planted over such sewer without the written consent of said grantor first obtained and said grantor shall use all reasonable care in its duties said premises may have to be necessary in laying, replacing repairing maintaining and examining such sewer.

5. During the period of twenty five years from and after the first day of January 1930, and except as hereinafter provided no structure other than shingle detached dwelling houses, and also if desired, any outbuildings which may be necessary or usual shall be erected on any lot in Lakewood, nor shall said premises or any building thereon be used or occupied other than strictly for residence purposes for the church or school purposes, or community club house or water reservoir, and then only with the prior written consent of the grantor; its successors and assigns; nor shall the same or any part thereof be in any manner used or occupied by Chinese, Japanese or Negroes, except that persons of said races may be employed as servants by residents; nor shall any building, of any part thereof (except as herein otherwise specified) be erected, maintained or used for flats, apartments, asylum, hospitals sanitariums, stores, livery stables, dance halls or business or manufacturing purposes; nor shall any intoxicating liquor be sold or otherwise disposed of as a beverage in any place of public resort on said premises. No domestic or wild animals with the exception of dogs, cats, or usual household pets shall be kept on any part of Lakewood.

6. Within said period of twenty five years no other than a single detached dwelling costing not less than $2000.00 shall be built on any one of lots numbered 32 to 43 inclusive 48 to 61 inclusive and 161 to 166 inclusive. No other than one single detached dwelling costing not less than $3500.00 shall be built on any one of lots numbered 61, 91, to 105 inclusive 168 to 207 inclusive, 218 to 223 inclusive and 236 to 255 inclusive. No other than one single detached dwelling costing not less than $4000.00 shall be built on any one of lots numbered 230 to 235 inclusive 285 to 290 inclusive 292 to 296 inclusive, 297 to 299 inclusive, 299 to 312 inclusive, 320 to 336 inclusive, and 342 to 342 inclusive. But nothing herein contained shall prohibit the grantor for increasing the area on which only one dwelling may be built or increasing the area on which only one dwelling may be built or increasing the minimum cost of such dwelling, provided such increase is made at the time the said structure of any kind except a wharf shall be built on any one of lots numbered 254 to 277 inclusive. No boat house or both house shall be built on any lot in Lakewood excepting the lots mentioned in paragraph 8 below. Wharves may be constructed in front of such lots, but not to exceed 16 feet like the property line, without the prior written consent of the grantor, but in no case shall such wharf extend beyond an extension of the side lines of the area in front on which it is constructed. No wharf shall have any part of the structure (except a railing) higher than 4 feet above the top of the 150 foot weir on the concrete dam at the easterly end of Oswego Lake, only open railings shall be permitted and shall not be higher than 8 feet above the wharf level. Prior to commencing the erection of any dwelling house, outbuilding or wharf on or in front of the lot mentioned in this paragraph, the grantee shall present to the grantor the plans and specifications for the dwelling house or wharf to be erected, and shall not commence the erection of such until the plans and specifications have been approved in writing by the grantor, and no outbuilding in connection with said dwelling house shall be erected prior to the erection of the dwelling

hereinbefore. The right to examine and approve such plans and specifications is reserved for the purpose of satisfying the grantor as to the violation of covenants or agreements as herein-after set forth, and the grantor does not thereby assume any liability or obligation in reference to such plans or for building or buildings constructed in accordance therewith.

No advertising sign shall be erected on any of the lots mentioned in this paragraph or on any improvements thereon, save and excepting plats of professional men and "for sale" and "for rent" signs, all of which are to relate only and be restricted to the lots to which the same apply and further excepting such general advertising signs as may relate to all unsold property in Lakewood.

Throughout said plat of twenty-five feet as setback or projection of any building except steps and shelves shall be erected within twenty five feet from the lot line which adjoins any dedicated street or road or the shores of Lake Oswego or extensions to the lake or Lakewood Bay unless specific permission is granted by the grantor in writing at the time of construction, and such permission shall be given only because of some peculiarity of dimensions, contour of level of such property rendering it impracticable in the judgment of the grantor, to exact strict compliance to said building lines and shall allow no more deviation therefrom than in the judgment of the grantor is necessary under the circumstances in each case; nor shall in any case, the outside corners of any buildings or additions thereto be less than 5 feet from the side lines of the area they are erected upon.

5. Lots 1 to 10 inclusive; 114 to 121 inclusive, 42, 43, as 90 inclusive; 288 to 311 inclusive; 450, 448, 419, 340, 341, 344, 3, 4, and 5, are hereby reserved to be sold for commercial, club or other purposes and some of the restrictions, covenants or conditions herein set forth in paragraphs 3, 4, and 7 shall apply thereto, and said lots may be sold with or without such restrictions and for such purposes as the grantor may elect.

And each and all of the covenants, conditions and restrictions herein contained shall be deemed and considered to be covenants running with the land and may be enforced by any purchaser or the grantor herein and shall be binding upon and enforceable by all the parties hereto, their heirs, successors and assigns. No breach of the restrictions contained in this deed shall defeat or render invalid the lien of any mortgage made in good faith and for value upon the said premises or any part thereof, but any such breach shall give the grantor, its officers and agents or any owner of land in Lakewood the right to compel performance of these agreements, and to abate and summarily structure or erection in violation of them through the court or courts having jurisdiction thereof, and the grantor, its officers and agents shall have the right summarily to enter upon the granted premises and to remove at the expense of the owner thereof any erection, nuisance, thing or condition that may be thereon contrary to the true intent and meaning of such restrictions or any of them, and the grantor, its officers or agents shall not thereby be deemed guilty in any manner of trespass.

IN WITNESS WHEREOF the grantor has caused these presents to be signed in its name and by its Vice President and Secretary this 7th day of May 1928, and its corporate seal to be hereunto affixed by its Secretary, under due authority conferred by its Board of Directors.

Executed in the presence of ——— THE OREGON IRON AND STEEL COMPANY

C.J.Curran (Seal of O.I.& S.Co) By Frederick G.Strong, Vice President

Wm.Allen THE OREGON IRON AND STEEL COMPANY

By A.B.Pettelle, Secretary

State of Oregon)
) ss
County of Multnomah)

This certifies that on this 7th day of May, 1928, before me the undersigned, Notary Public in and for said county and state, personally appeared Frederick G.Strong and A.B.Pettelle, to me personally known to be the Vice president and secretary respectively of the Oregon Iron and Steel Company the corporation above named, who being severally first duly sworn did say that he, the said Frederick G.S,ong is the Vice president, and he the said A.B. Pettelle, is the secretary of the said The Oregon Iron and Steel Company the corporation named and described in the within and foregoing instrument and that the seal affixed to said instrument is the corporate seal of said corporation and that the said instrument was signed, and sealed and executed on behalf of said corporation by authority of its board of directors; and said Frederick G.Strong vice president on aforesaid, and said A.B.Pettelle/ secretary as aforesaid, acknowledged said instrument to be the free act and deed of said corporation.

In testimony Whereof I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

(Seal of Notary) W.B.Allen

My Comm. Exp Oct. 23, 1927 Notary Public for Oregon

Filed and recorded May 9th, 1928, at 11:10 P.M. A.C.Burnett, County Recorder

KNOW ALL MEN BY THESE PRESENTS: That Gus Mills and Willie Mills his wife, in consideration of Ten dollars and other valuable considerations, to them paid by Philip Bebel do hereby grant, bargain, sell and convey unto said Philip Bebel, his heirs and assigns, all the following real property with the tenements, hereditaments and appurtenances, situated in the County of Clackamas and State of Oregon, bounded and described as follows to-wit: The north half of the south half of the southwest quarter of section thirty six township one south of range four east of the Willamette Meridian, Clackamas County State of Oregon containing 40 acres of land more or less.

To Have and to Hold the above described and granted premises unto the said Philip Bebel his heirs and assigns forever. And we the grantors above named do covenant to and with the above named grantee his heirs and assigns that we are lawfully seized in fee simple of the above granted premises, that the above granted premises are free from all incumbrances, and that we will and our heirs, executors, and administrators, shall warrant and forever defend the above granted premises, and every part and parcel thereof, against the lawful claims and demands of all persons whomsoever.

Witness our hands and seals this __ day of __ 192__

Executed in the presence of Gus Mills (Seal)

C.J.Curran Willie Mills (Seal)

R.E.Morse $1.50 Int Revenue

State of Oregon)
) ss
County of Multnomah)

BE IT REMEMBERED: That on this __ day of __ A.D.192__ before me the undersigned, a Notary Public (duly) for said county and state, personally appeared the within named Gus Mills and Willie Mills his wife, who are known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily

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IN WITNESS WHEREOF, we have hereunto set our hands and seals this 30th day of De-

Signed, Sealed and Delivered in the Presence of:

J.S. Upton — W.L. Halvey (Seal)

Hilma Halvey (Seal)

State of Oregon, }
County of Klamath } ss.

On this 30th day of December, A.D. 1931, personally came before me, a Notary Public in and for said County and State the within named W.L. Halvey and Alice Halvey, his wife to me personally known to be the identical persons described in and who executed the foregoing conveyance and acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein named.

WITNESS my hand and official seal this the day and year in this certificate above written.

Burr K. Upton

(Seal of Notarial)

Notary Public for the State of Oregon

My commission expires Jan. 6, 1933

E.G. Barnett, County Assessor

Filed and recorded Dec. 30, 1931 at 4:52 P.M.

THIS INDENTURE WITNESSETH, That Hattie Ethel Bertha Williams and J.S. Williams, her husband, for and in consideration of Ten and no/100 Dollars, to them paid, have bargained and sold, and by these presents do bargain, sell and convey unto W.L. Halvey and Alice Halvey, husband and wife, as joint tenants with right of survivorship and not as tenants in common, the following described real estate situated in Klamath County, State of Oregon, to-wit:

The Northeast quarter of the Northwest quarter, the North one-half of the Northeast quarter, the Southeast quarter of the Northeast quarter of Section 25, Township 38 South, Range 5 East of the Willamette Meridian.

Also that certain tract of land in said Section, Township and Range as shown by deed recorded in Book No. 151, at page 526, Deed Records for said County and State.

TO HAVE AND TO HOLD the above-described premises, with the appurtenances, unto the said W.L. Halvey and Alice Halvey, their heirs and assigns forever; and to the said grantees or their heirs and assigns, the said grantors hereby covenant that they are the owners in fee simple of said premises; that they are free from all incumbrances, save and except one mortgage in favor of the Federal Land Bank of Spokane in the sum of Eighteen Hundred Dollars, and one mortgage of $800 in favor of Thurman Smith, also unpaid notes of record, and that they will warrant and defend the same from all lawful claims whatsoever, except said mortgages and notes.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 30th day of December A.D. 1931.

Hilma Ethel Bertha Williams

J.S. Williams

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State of Oregon }
County of Klamath } ss.

On this 30th day of December A.D. 1931, personally came before me a Notary Public in and for said County and State the within named Hattie Ethel Bertha Williams and J.S. Williams, her husband, to me personally known to be the identical persons described in and who executed the foregoing conveyance and acknowledged unto them that they executed the same freely and voluntarily and for the uses and purposes therein named.

WITNESS my hand and official seal, this the day and year in this certificate above written.

Burr K. Upton

Notary Public for the State of Oregon

My commission expires Jan. 6, 1933

E.G. Barnett, County Assessor

Filed and recorded Dec. 30, 1931 at 4:52 P.M.

[illegible] 1. The respective present owners of all property in Lawnridge Addition to the City of Klamath Falls, Klamath County, Oregon, according to the plat and survey thereof on file and of record in Klamath County, Oregon.

2. The respective present owners of all property in Fleet Addition to the City of Klamath Falls, Klamath County, Oregon, and in the subdivision of Government Lots [illegible] in the City of Klamath Falls, Klamath County, Oregon, as have been created by and subject to [illegible] between the first party, the Southern Pacific Company, a corporation, and [illegible] dated the 30th day of December, 1931, and recorded in the office of the County Clerk of Klamath County, Oregon, in Book [illegible] at page [illegible] thereof, to which reference is hereby made for a more particular description of said property.

An easement, subject to the terms and conditions thereof, over the [illegible] Fleet Addition to the City of Klamath Falls, Oregon, [illegible]

Parcel No. 1: Lots [illegible] in Klamath County, Oregon, [illegible] bearings or distances are derived [illegible] Klamath, Oregon, [illegible] thence North 89°31' East, 21.50 feet to a [illegible] the beginning of a 20 foot radius curve to the left; thence Southerly along said curve to the left through a central angle of 90°00' an arc distance of 31.42 feet to a point on the Southerly line of Eldorado Road and on the Easterly boundary of the Southern Pacific Railroad right of way; thence South 0°31' West 1,000.00 feet along said Easterly boundary; thence S. 87°31' East 209.00 feet; thence South 0°31' West 100.00 feet to the point of beginning; thence North 87°31' West 209.00 feet to the point of beginning.

Also Lot 504 Lakewood Tract #1, according to the map thereof on file and of record in Klamath County, Oregon.

and also hereby granting an easement for the benefit of the [illegible] property, over the [illegible] owned by the Grantor herein and [illegible] Oregon, the [illegible] and being in the County of Klamath, State of Oregon, [illegible] [illegible] as follows, for and [illegible] [illegible] County, Oregon:

[illegible] 1. Subject to the [illegible] conditions, and restrictions, all of [illegible] law or the [illegible] of the [illegible]

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1. This easement is hereby created for the benefit of the following described property:

2. The respective present owners of all property in Lakewood Plats 1 and 2, Klamath County, Oregon, according to the plats and final surveys on file and of record in Klamath County, Oregon.

3. The respective present owners of all property in First addition to the Town of Oxbow, in Clackamas County, Oregon, and of the respective present owners of all property in the Town of Oxbow, Clackamas County, Oregon, who have been granted or may hereafter be granted by any deed of conveyance or contract of sale from The Oregon Iron and Steel Company, privileges of the use of the waters of Oxbow Lake for bathing, boating and aquatic sports and their families, licensees, invitees and guests. It is expressly understood that the above described properties are not and shall not be the owners of the waters of Oxbow Lake, or any part thereof, or any lands covered by said waters.

2. This easement is for the benefit also of all real property now or hereafter owned by The Oregon Iron and Steel Company lying and being in the County of Clackamas, State of Oregon.

3. The easement hereby created in favor of the property described as "all real property now or hereafter owned by The Oregon Iron and Steel Company, lying and being in the County of Clackamas, State of Oregon," shall not be construed to mean any of the property of The Oregon Iron and Steel Company, the owner of Clackamas, consisting Portion of Lots [illegible] and specifically to said easements granted the easement herein created, by reference to this instrument, and the easement shall then be deemed created in said grantee named therein, its successors and assigns, and shall be subject to all the terms and conditions of this instrument, but Grantee and that of the Oregon Iron and Steel Company, the owner of said real, specifically granted said easement, it shall be deemed [illegible]

4. It is expressly understood that the [illegible] and shall terminate and cease as to any property hereafter specified, unless said owners and said property, and upon sale of any property all rights here vest shall automatically cease. No parties other than those above specified shall have any rights whatsoever in or to the properties above described, or any right to use them in any manner whatsoever.

5. The properties covered by this easement shall be subject to use by the [illegible] for bathing, boating and aquatic purposes only, the right or use of said waters [illegible] subject to a similar right on the part of all others benefitted hereby. In the event that there is any difficulty in the [illegible] the greater enjoyment of said premises, the grantor reserves the right to [illegible] to derive the most benefit and enjoyment therefrom.

6. This grant is subject to any and all restrictions of record regarding the use of the waters of Lake Oswego and/or the properties covered by this easement, and no rights are given or granted hereunder superseding or contradicting any such restrictions.

7. This easement is given subject to the understanding and condition that all persons using the properties covered by the easement and the waters of Lake Oswego, do so at their own risk, and that the grantor shall not in any manner be responsible for any injuries to person or property, based on arising out of or connected with the use of the premises covered hereby and/or the waters of Lake Oswego.

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2. The benefits of this easement shall run with all [illegible]

[illegible] and shall pertain to the [illegible] County, Oregon, according to the plat and survey on file and of record in Klamath County, Oregon.

3. All property in First Addition to the Town of Oxbow in Clackamas County, Oregon, the present owners of which have been granted or may hereafter be granted by any deed of conveyance or contract of sale from The Oregon Iron and Steel Company, the right to the use of the waters of Oswego Lake for bathing, boating and aquatic sports.

4. All property now or hereafter owned by The Oregon Iron and Steel Company, lying and being in the County of Clackamas, State of Oregon, the owners respective successors or their heirs [illegible] and subject to all restrictions thereof.

Also the easements hereby created are subject to the terms and conditions of this easement which are known or likely to be known [illegible] and shall run with the land and be binding upon the parties hereto, their successors and assigns.

5. This grant is perpetual; subject as aforesaid, to the terms, conditions and restrictions of this easement and shall run with the land and be binding upon the parties hereto, their successors and assigns.

6. Each and every one of the benefits and privileges granted by this easement shall inure after as [illegible] and all of the owners of any [illegible] under this instrument. Failure of any [illegible] to exercise any of the rights granted in the [illegible] instrument, failure of any [illegible] to insist on strict performance [illegible] shall not be deemed a waiver of the right to [illegible] any subsequent breach of the same or any other kind.

7. Further grants contained shall in no way be [illegible] the grantor to [illegible] grantee hereby [illegible] easement.

8. Boating sports [illegible] shall in no way be construed to [illegible] all of the [illegible] Lake Oswego, nor shall [illegible] easement [illegible] grant any rights other [illegible] this kind, and [illegible] Article enumerated herein are exclusive.

IN [illegible] The Oregon Iron and Steel Company [illegible] at its President and Secretary, and its corporate [illegible] this [illegible] day of December, 1951.

[illegible]

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State of Oregon
County of Multnomah

On this 28th day of December 1921, before me appeared Paul C. Murphy and C.B. Rowe to me personally known, who being duly sworn, did say that he, the said Paul C. Murphy is the President, and he, the said C.B. Rowe is the Secretary of The Oregon Pine and Fibre Company, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Paul C. Murphy and C.B. Rowe acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

(Seal of Notary) Max Friedli
Notary Public for said County and State
My commission expires July 14 1924

Filed and recorded Dec. 31, 1921 at 9:40 A.M.
By

This Indenture, Witnesseth, That Charles E. Benner of the County of Clackamas and State of Oregon, party of the first part, hereinafter called grantor, for and in consideration of the sum of Five Hundred Dollars, to me paid by Olive K. Davis and Herman B. Davis, husband and wife, do hereby grant, bargain, sell and convey unto said Olive K. Davis and Herman B. Davis, and to their heirs and assigns all the following real property, with the appurtenances, hereditaments and tenements situated in the County of Clackamas, and State of Oregon, bounded and described as follows, to-wit:

An undivided one sixth interest and share in and to:

The NE¼ of the SW¼ and the SE¼ of the SW¼ of Section Twenty six (26) Tp. 3, S. R. 4, E. W.M. in the State of Oregon and the County of Clackamas, containing 80 acres, more or less.

TO HAVE AND TO HOLD the above described and granted premises unto said Olive K. Davis and Herman B. Davis, and to their heirs and assigns forever.

And I the grantor above named do covenant to and with the above named grantees, their heirs and assigns, that I am lawfully seized in fee simple of the premises aforesaid, that the above granted premises are free from all incumbrances, and that I will and my heirs, executors and administrators, shall warrant and forever defend the above granted premises, and every part and parcel thereof, against the lawful claims and demands of all persons whomsoever.

WITNESS my hand and seal this ___ day of December 1921.

Executed in the Presence of:

Charles E. Benner (Seal)

State of Oregon } ss
County of Clackamas }

On this ___ day of December A.D. 1921 before me, the

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...and for said County and State, this ___ day of December A.D. 1921, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Charles E. Benner, party of the first part, and acknowledged to me that he executed the within instrument, and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

(Seal of Notary) Wm. L. Dillon
Notary Public for Oregon
My commission expires [illegible]
E.C. Hackett, County Recorder

Filed and recorded Dec. 31, 1921 at 9:40 A.M.
By

This Indenture, Witnesseth, That Olive K. Davis and Herman B. Davis, for and in consideration of the sum of Ten & no/100 Dollars, to us in hand paid, the receipt whereof is hereby acknowledged, and by these presents do bargain, sell and convey unto Edith L. Jake and Ida Lair, their heirs and assigns, the following described premises, to-wit:

[illegible] Section Twenty six (26) in Township Three (3) South of Range Four (4) East of the Willamette Meridine, in the County of Clackamas and State of Oregon, and more particularly described as follows: Beginning at the Southwest corner of the said D. Glenn Jake in the [illegible] Section 17, Tp. 4 S.Range 4 East of the E. Meridian, Public Record [illegible] thence North [illegible] feet; thence East [illegible] feet; thence South [illegible] feet; thence West [illegible] feet to the place of beginning, containing [illegible] acres, more or less, all situate in the County of Clackamas, State of Oregon.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Edith L. Jake and Ida Lair, their heirs and assigns forever.

And the said grantors do hereby covenant to and with the said grantees, their heirs and assigns that they are the owners in fee simple of said premises and that they will warrant and forever defend the same against the lawful claims and demands of all persons whomsoever.

The true and actual consideration for this conveyance is the sum of $5,000.00 which we have paid to the said grantors, and the said grantors hereby acknowledge receipt thereof and release the said premises from all liens and encumbrances except current unpaid taxes and assessments.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this ___ day of December A.D. 1921.

Done in the presence of:

H.B. Dillon
Grace Dillon

State of Oregon } ss
County of Lane }

On this 30th day of December 1921, personally came before me [illegible] and for said County and State, this [illegible] day of December A.D. 1921, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Olive K. Davis and Herman B. Davis, parties of the first part, and acknowledged to me that they executed the within instrument freely and voluntarily for the uses and purposes therein mentioned.

KNOW ALL MEN BY THESE PRESENTS that The Oregon Iron and Steel Company, an Oregon corporation, does hereby give, grant, convey, bargain and sell unto the following named grantees, to-wit:

The respective present owners of all property in Lakewood, Plats 1 and 2, Clackamas County, Oregon, according to the maps and plats thereof on file and of record in Clackamas County, Oregon,

an easement, subject to the terms and conditions herein stated, over and across the following described property situated in Clackamas County, Oregon, to-wit:

All of Lots numbered Two Hundred Eleven (211) and Two Hundred Twelve (212) and that portion of Lot numbered Two Hundred Ten (210) described as follows, to-wit: Beginning at the most westerly corner of said Lot 210, said corner being in the northeasterly line of North Shore Road; thence North 65°11' East along the northwesterly boundary line of said Lot 210 a distance of 67.80 feet to an iron pipe set at the northwesterly corner of said Lot 210; thence South 86°27' East 3.00 feet to a division line in said Lot 210; thence South 38°56' West along said division line a distance of 72.30 feet to an iron pipe set in the southwesterly boundary line of said Lot 210, which point is in the northeasterly line of said North Shore Road; thence northwesterly and following a curve to the right having a radius of 100.00 feet a distance of 34.00 feet more or less to the point of beginning; all in Lakewood, Plat 1, as platted and recorded in Book 20, at pages 5 and 6, Record of Town Plats of Clackamas County, Oregon.

Also, the following described real property, to-wit: Beginning at an iron pipe in the south line of Ridgeway Road and at the junction of South Shore Road, in Lakewood, Plat 1, as platted and recorded; thence running southwesterly and following a 20-foot radius curve a distance of 28.99 feet to an iron pipe in the easterly line of said South Shore Road; thence South 18°04' West and following the easterly line of said South Shore Road 117.77 feet to an iron pipe; thence north 77°52' East 99.82 feet to an iron pipe; thence north 6°38' West 109.08 feet to an iron pipe in the south line of Ridgeway Road; thence South 83°24' West and following the south line of said Ridgeway Road 31.80 feet to the place of beginning.

Also, the following described real property, to-wit: All that part of South Shore Road in Lakewood, Plat 1, in said Clackamas County (according to the duly recorded map and plat thereof recorded at pages 5 and 6 of Book 20 of Record of Plats of said Clackamas County) vacated by Ordinance of the City of Oswego, County of Clackamas, State of Oregon, by vacation proceedings adopted by the Council of said City of Oswego, December 5, 1933, and recorded in said Clackamas County on the 4th day of January, 1934, at page 402 in Book 221, Deed Records, described as follows, to-wit: Beginning at an iron pipe in the southerly line of Ridgeway Road, said iron pipe bears North 71°08' East 40.14 feet from an iron pipe at the most northerly point of a 20-foot radius curve at the northeast corner of Lot 253 in said Lakewood, Plat No. 1, as platted and recorded in said Clackamas County, Oregon; thence southerly and following a curve to the right, said curve having a radius of 76.68 feet, a distance of 44.30 feet to an iron pipe; thence South 18°04' West, 43.20 feet to an iron pipe; thence southerly and following a curve to the right, said curve having a radius of 115 feet, a distance of 21.56 feet to an iron pipe; thence South 71°56' East a distance of 17 feet to an iron pipe in the easterly line of what was known as South Shore Road; thence North 18°04' East a distance of 117.77 feet to an

iron pipe at the beginning of a 20-foot radius curve; thence following said curve to the right 13.95 feet to an iron pipe in the southerly line of said Ridgeway Road; thence South 71°08' West a distance of 40.14 feet to the place of beginning.

Also, all of Lot numbered Two Hundred Eighty-six (286) in Lakewood, Plat 2, a townsite in Clackamas County, State of Oregon, as platted and recorded in Book 20 at pages 5 and 6, Record of Town Plats of said Clackamas County, Oregon;

and also hereby creates and defines for the benefit of all real property now or hereafter owned by The Oregon Iron and Steel Company, the grantor herein, lying and being in the County of Clackamas, State of Oregon, a similar easement subject to the same terms and conditions, and over and across said property situated in Clackamas County, Oregon.

This easement is subject to the following terms, covenants and conditions, all of which are of the essence of this grant:

1. This easement, whether created now or hereafter, is for the benefit of the following:

1. The respective present owners of all property in Lakewood Plats 1 and 2, Clackamas County, Oregon, according to the maps and plats thereof on file and of record in Clackamas County, Oregon.

[illegible] to be families, licensees, invitees and guests. This easement is [illegible] to the above described properties, and is not personal to the [illegible] authorized who may now or may hereafter own said properties or any part [illegible]

2. This easement is for the benefit also of all real property now [illegible] owned by The Oregon Iron and Steel Company lying and being in County of Clackamas, State of Oregon.

3. The easement hereby created in favor of the property described [illegible] property now or hereafter owned by The Oregon Iron and Steel [illegible] lying and being in the County of Clackamas, State of Oregon, all [illegible] existence when and if The Oregon Iron and Steel Company, the owner [illegible] area, conveys and portion of said area, and specifically in said [illegible] grants the easement herein created, by reference to this instrument, [illegible] easement shall then be deemed granted to said grantee [illegible] herein, [illegible] and assigns, and shall be subject to all the terms and conditions [illegible]

of this instrument, but unless and until said The Oregon Iron and Steel Company, the owner of said area, specifically grants said easement, it shall be deemed not to come into existence with reference to said land so granted.

4. It may be exercised only by the said owners, and their families and guests, above specified, while said owners own said property, and upon ceasing to own property all rights hereunder shall automatically cease. No parties other than those above specified shall have any rights whatsoever in it or to the properties above described, or any right to use them in any manner whatsoever.

5. The properties covered by this easement shall be subject to use by the parties benefitting, as above stated, for swimming, bathing, boating and aquatic purposes only. The right of each and every party to use said properties for these purposes is subject to a similar right on the part of all others benefitted hereby. In the event that there is any difficulty in the use or enjoyment of said premises, the grantor reserves the right to impose reasonable regulations as to the use, which will permit the greatest number of people to derive the most benefit and enjoyment therefrom.

6. This grant is subject to any and all restrictions of record regarding the use of the waters of Lake Oswego and/or the properties covered by this easement, and no rights are given or granted hereunder superseding or contradicting any such restrictions.

7. This easement is given subject to the understanding and condition that all parties using the properties covered by the easement and the waters of Lake Oswego, do so at their own risk, and that the grantor is not in any manner to be responsible for any injuries to person or property, based on, arising out of or connected with the use of the premises covered hereby and/or the waters of Lake Oswego.

8. The benefits of this easement shall run with the land benefitted, that is:

1. All property in Lakewood Plats 1 and 2, Clackamas County, Oregon, according to the maps and plats thereof on file and of record in Clackamas County, Ore.

2. All property now or hereafter owned by The Oregon Iron and Steel Company in the County of Clackamas, State of Oregon, the future respective grantees of which shall have conveyed to them any portion of said land and in said conveyance is specifically granted the easement herein defined and by reference to this instrument.

Also the successive owners from time to time shall be entitled to all rights hereunder and subject to all conditions hereof. For the purposes of this instrument, parties purchasing property under contract, or leasing property, shall be deemed owners, but only the parties in actual possession of the benefitted premises shall be entitled to the benefits hereof.

9. This grant is particularly subject to this condition that in the event that any of the conditions of this easement are broken or disregarded by any persons whatsoever, then the grantor shall have the right at any time to cancel, withdraw and terminate this easement, and upon any such cancellation, termination or withdrawal, the properties covered by this easement shall thereafter be free and clear of any and all rights or encumbrances of any kind or character under this instrument. Notice of cancellation or withdrawal shall be executed, filed and recorded in the same manner as this instrument. Failure of the grantor to cancel or terminate this instrument for any one or more breach of condition shall not be deemed a waiver of its right to cancel or terminate for subsequent breaches of the same or any other conditions.

10. Nothing herein contained shall in any way obligate the grantor to alter or improve the premises covered by this easement. The same are granted and accepted by the grantees in their present condition.

11. Nothing herein contained shall in any way be construed to alter, limit or otherwise affect the full, complete and absolute ownership of The Oregon Iron and Steel Company to all of the bed of Lake Oswego, nor shall the granting of this easement be in any manner construed to give any rights other than as stated in this deed, and this deed shall be strictly

construed against the grantees.

IN WITNESS WHEREOF The Oregon Iron and Steel Company has caused these presents to be executed by its President and Secretary, and its corporate seal to be hereunto affixed this 16th day of June, 1941, pursuant to a resolution of its Board of Directors, duly and legally adopted.

THE OREGON IRON AND STEEL COMPANY

By _____
Vice-President

THE OREGON IRON AND STEEL COMPANY

By _____
Secretary.

STATE OF OREGON)
) ss
COUNTY OF CLACKAMAS)

On this 16th day of June, 1941, before me appeared Paul F. Murphy and C. B. Rowe, both to me personally known, who being duly sworn, did say that he, the said Paul F. Murphy is the Vice-President, and he, the said C. B. Rowe is the Secretary of The Oregon Iron and Steel Company, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Paul F. Murphy and C. B. Rowe acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this, my certificate, written.

_____
Notary Public for said County and State

My Commission expires _____

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