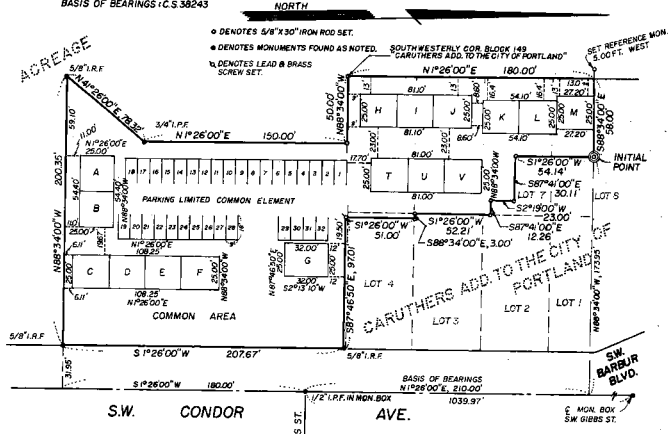


ABITARE CONDOMINIUM PHASE I

A REPLAT, IN PART, OF LOTS 5, 6 AND A PORTION OF LOTS 4, 7 AND B, BLOCK 149
"CARUTHERS ADDITION TO THE CITY OF PORTLAND"
IN THE S.W. 1/4 OF SECTION 10, T-15, R-1E, W.M.
CITY OF PORTLAND MULTNOMAH COUNTY, OREGON
SCALE: 1" = 50' AUG., 1978

ALPHA ENGINEERING, INC.
BASIS OF BEARINGS: C.S. 38243



DECLARATION: ABITARE ASSOCIATES, A JOINT VENTURE, COMPOSED OF WAYNE C. REMBOLD AND FRANKLIN D. PIACENTINI— DOES HEREBY DECLARE THE ANNEXED MAP TO BE A TRUE AND CORRECT MAP OF THE LAND LAID OUT AS "ABITARE CONDOMINIUM", SAID LAND BEING MORE PARTICULARLY DESCRIBED IN THE SURVEYOR'S CERTIFICATE HEREUNTO ANNEXED AND SAID ABITARE ASSOCIATES, DOES HEREBY COMMIT SAID LAND TO THE OPERATION OF THE UNIT OWNERSHIP LAW AS SET FORTH IN CHAPTER 91 OF OREGON REVISED STATUTES.

ABITARE ASSOCIATES:

Wayne C. Rembold
WAYNE C. REMBOLD
Franklin D. Piacentini
FRANKLIN D. PIACENTINI

ACKNOWLEDGEMENT:

STATE OF OREGON
COUNTY OF MULTNOMAH S.S.

THIS CERTIFIES THAT ON THIS 22nd DAY OF July, 1978, BEFORE ME, A NOTARY PUBLIC IN AND FOR SAID STATE AND COUNTY, PERSONALLY APPEARED WAYNE C. REMBOLD AND FRANKLIN D. PIACENTINI, TO ME KNOWN TO BE THE PERSONS NAMED IN AND WHO EXECUTED THE FOREGOING INSTRUMENT, AND THEY ACKNOWLEDGE TO ME THAT THEY 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.

John T. De Jong
NOTARY PUBLIC IN AND FOR THE STATE OF OREGON
MY COMMISSION EXPIRES Feb. 2, 1981

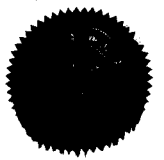


SURVEYORS CERTIFICATE:

I, THOMAS L. AMBERG, BEING FIRST DULY SWORN, DEPOSE AND SAY THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS THE LAND REPRESENTED ON THE ANNEXED MAP OF "ABITARE CONDOMINIUM", THAT AS THE INITIAL POINT OF SAID SURVEY I DROVE A GALVANIZED IRON PIPE 2 INCHES IN DIAMETER, 36 INCHES LONG, 6 INCHES BELOW THE SURFACE OF THE GROUND AT A POINT WHICH IS N15°15'36"E, 189.11 FT. FROM THE SOUTHWESTERLY CORNER OF BLOCK 149, "CARUTHERS ADDITION TO THE CITY OF PORTLAND", AND IS SITUATED IN LOT 8 OF SAID BLOCK 149; SAID INITIAL POINT IS ALSO N1°26'00"E, 210.00 FT. AND N88°34'00"W, 175.95 FT. FROM A ONE-HALF INCH IRON PIPE IN A MONUMENT BOX MARKING THE CENTERLINE INTERSECTION OF S.W. CONDON AVE. AND S.W. GAINES ST. EXTENDED, ALL IN THE SOUTHWEST QUARTER OF SECTION 10, T-15, R-1E, W.M. IN THE CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON; THENCE FROM SAID INITIAL POINT— S1°26'00"W, 54.14 FT.; THENCE S87°41'00"E, 30.11 FT.; THENCE S21°45'00"W, 23.00 FT.; THENCE S87°41'00"E, 12.26 FT. TO THE EASTERLY LINE OF LOT 7 OF SAID BLOCK 149; THENCE S1°26'00"W, ALONG THE EASTERLY LINE OF LOTS 7 AND 6, 52.21 FT. TO THE NORTHEASTERLY CORNER OF LOT 4 OF SAID BLOCK 149; THENCE S88°34'00"E, ALONG THE NORTHERLY LINE OF LOT 4, 3.00 FT.; THENCE S1°26'00"W, PARALLEL WITH THE WESTERLY LINE OF LOT 4 AND ITS SOUTHERLY EXTENSION, 51.00 FT.; THENCE S87°45'00"E, 97.01 FT. TO THE WESTERLY LINE OF S.W. CONDON AVE.; THENCE S1°26'00"W, ALONG THE WESTERLY LINE OF S.W. CONDON AVE., 207.67 FT.; THENCE N88°34'00"W, 200.35 FT.; THENCE N41°26'00"E, 78.32 FT.; THENCE N1°26'00"E, 150.00 FT. TO THE SOUTHERLY LINE OF LOTS 5 OF SAID BLOCK 149; THENCE N88°34'00"W, ALONG SAID SOUTHERLY LINE 50.00 FT. TO THE SOUTHWESTERLY CORNER OF SAID BLOCK 149; THENCE N1°26'00"E, 180.00 FT.; THENCE S88°34'00"E, 58.00 FT. TO THE POINT OF BEGINNING, CONTAINING 1.11 ACRES.

REGISTERED
PROFESSIONAL
LAND SURVEYOR
Thomas L. Amberg
THOMAS L. AMBERG
1970

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 22nd DAY OF August, 1978
John T. De Jong
NOTARY PUBLIC IN AND FOR OREGON
MY COMMISSION EXPIRES Feb. 2, 1981



APPROVALS

APPROVED: Sept 22, 1978
BUREAU OF BUILDING
CITY OF PORTLAND
BY: *James C. Stoffel*

APPROVED: October 19th, 1978
COUNTY ENGINEER
MULTNOMAH COUNTY, OREGON
BY: *Alvin J. Danner*

ATTEST:
RECORDED: Oct 25, 1978
COUNTY RECORDING OFFICE
MULTNOMAH COUNTY, OREGON
BY: *M. Burns* DEPUTY

ALL TAXES, FEES, ASSESSMENTS OR OTHER
CHARGES AS PROVIDED BY O.R.S. 91-512 &
HAVE BEEN PAID AS OF October 25th, 1978
BRUCE G. LAWSON
DIRECTOR DIV. OF ASSESSMENT & TAXATION
MULTNOMAH COUNTY, OREGON
BY: *Bruce G. Lawson* DEPUTY

STATE OF OREGON
Multnomah County 54963
Director, Department of Administration
and for Multnomah County, do hereby certify that the
within instrument of writing was found to be correct
and reported to the record of
of said County at
178 OCT 25 PM 1:59
RECORDING SECTION
MULTNOMAH CO. OREGON
To Book 1210 On Page 1647
Witness my hand and seal of office this
Director
Department of Administration
Services
10.00 Deputy



DECLARATION SUBMITTING PHASE 1
OF ABITARE CONDOMINIUM
TO OREGON UNIT OWNERSHIP LAW

BOOK 1304 PAGE 1351

THIS DECLARATION, pursuant to the provisions of the Oregon Unit Ownership Law, is made and executed this 25th day of May, 1978, by ABITARE ASSOCIATES, a joint venture composed of Wayne C. Rembold and Franklin D. Piacentini, hereinafter called "Developer."

Developer proposes to create a condominium to be known as Abitare Condominium, which will be located in the City of Portland, Multnomah County, Oregon. The purpose of this declaration is to submit Phase 1 of Abitare Condominium to the condominium form of ownership and use in the manner provided by the Oregon Unit Ownership Law.

NOW, THEREFORE, Developer does hereby declare and provide as follows:

1. DEFINITIONS. When used herein the following terms shall have the following meanings:

1.1 "Bylaws" means the Bylaws of the Association of Unit Owners of Abitare Condominium adopted pursuant to Section 12 below as the same may be amended from time to time.

1.2 "Developer" means Abitare Associates, a joint venture composed of Wayne C. Rembold and Franklin D. Piacentini, and its successors and assigns.

1.3 "Institutional holder of a first mortgage" means a holder of a first mortgage, trust deed or equivalent security interest in a unit, if such holder is a bank or

savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

1.4 "Plans" means the plat or site plan and floor plans of Phase 1 of Abitare Condominium, recorded simultaneously with the recording of this declaration.

1.5 Incorporation by Reference. Except as otherwise provided in this declaration, each of the terms defined in ORS 91.500, a part of the Oregon Unit Ownership Law, shall have the meanings set forth in such section.

2. PROPERTY SUBMITTED. The property submitted to the Oregon Unit Ownership Law hereunder is held by Developer and conveyed by it in fee simple estate. The land submitted hereunder, being Phase 1 of Abitare Condominium, is located in the City of Portland, Multnomah County, Oregon, and is more particularly described in Exhibit A attached hereto. Such property includes the land so described, all buildings, improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all personal property used in connection therewith.

3. NAME. The name by which the property submitted hereunder shall be known is "Abitare Condominium."

4. UNITS.

4.1 General Description of Buildings. Phase 1 contains five buildings. Three of the buildings have two

stories, and two of the buildings have both two and three story elements. Only one building has a basement, which is the laundry and storage area. The buildings are of wood frame construction with concrete foundation, plywood siding and composition built-up roof.

4.2 General Description, Location and Designation of Units. Phase 1 consists of a total of 34 units. The dimensions, designation and location of each unit in Phase 1 is shown in the plans filed simultaneously herewith and made a part of this declaration as if fully set forth herein. The approximate area of each unit is shown on Exhibit B, attached hereto and made a part hereof.

4.3 Boundaries of Units. Each unit shall be bounded by the interior surfaces of its perimeter and bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and shall include both the interior surfaces so described and the air space so encompassed. In addition, each unit shall include the outlet of any utility service lines, including water, sewerage, gas or electricity, and ventilating ducts, within the unit, but shall not include any part of such lines or ducts themselves.

5. GENERAL COMMON ELEMENTS. Each unit will be entitled to a percentage ownership interest in the general common elements determined by the ratio by which the approximate value of the particular unit bears to the total

approximate values of all units combined, as is more particularly described in Section 13.4 below. The general common elements consist of the following:

5.1 The land, pathways, driveways, fences, grounds, carport structures and parking areas, except parking spaces within carports and certain other parking spaces bearing a number as shown on the plans, which are designated as limited common elements by Section 6 below.

5.2 Pipes, ducts, flues, chutes, conduits, wires and other utility installations to their outlets.

5.3 Roofs, foundations, bearing walls, perimeter walls, beams, columns and girders to the interior surfaces thereof.

5.4 The exterior surfaces of balconies and roof terraces.

5.5 The laundry and storage area shown as G-1 on the Plans, including storage lockers, which will be assigned by the Association Board of Directors or Manager.

5.6 All other elements of the buildings and the property necessary or convenient to their existence, maintenance and safety, or normally in common use, except as may be expressly designated herein as part of a unit or a limited common element.

6. LIMITED COMMON ELEMENTS. The following shall constitute limited common elements, the use of which shall be restricted to the units to which they pertain:

6.1 All balconies and roof terraces, except for the outside exterior surfaces thereof, each of which shall pertain to the unit which it adjoins.

6.2 Parking spaces within carport structures and any other parking spaces which bear a number as shown on the Plans, each of which shall pertain to the unit indicated on Exhibit "C" attached hereto; provided, however, that any such parking space may be transferred so as to pertain to a different unit by an amendment to this declaration executed by the owner and any mortgagee of the unit to which the parking space previously pertained and by the owner of the unit to which the space is being transferred. Such transfer shall be effective upon the filing of such amendment in the Records of Deeds of Multnomah County, Oregon. No transfer, however, shall be such as to leave any unit without at least one parking space assigned to it as a limited common element.

7. USE OF PROPERTY; RESERVATION OF EASEMENT; MAINTENANCE.

7.1 Each unit in this phase is to be used for residential purposes as described in the Bylaws. Additional limitations on use are contained in the Bylaws and the rules and regulations adopted pursuant to such bylaws. Each unit owner shall be bound by each of the terms, conditions, limitations and provisions contained in such documents.

7.2 Developer hereby reserves an easement for ingress and egress over all roadways and driveways within

Phase 1 of Abitare Condominium. Such easement shall be for the benefit of and shall run with the ownership of the property which is the proposed Phase 2 and each and every portion thereof, and shall terminate upon the annexation of Phase 2.

7.3 The necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the Bylaws. If the mortgagee or beneficiary of any unit determines that the Board of Directors is not providing an adequate maintenance, repair and replacement program for the common elements, such mortgagee or beneficiary, at its option, may deliver a notice to the Board of Directors by delivering same to the registered agent, as required pursuant to ORS 91.578, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 90 days subsequent to receipt of such notice, then the mortgagee or beneficiary, upon written notice to the registered agent that it is exercising its proxy rights thereunder, shall have the right to attend succeeding annual or special meetings of the Association and to cast a vote for each unit on which it holds a mortgage or deed of trust on all business coming before such meeting, which proxy rights shall continue until the defects listed on the notice are corrected.

8. COMMON PROFITS AND EXPENSES; VOTING.

8.1 The common profits derived from and the common expenses of the common elements shall be distributed and charged to the owner of each unit according to the percentage of undivided interest of such unit in the general common elements.

8.2 Notwithstanding the provisions of ORS 91.500(15), each unit owner shall be entitled to one vote in the affairs of the association of unit owners for each unit owned by him. "Majority" or "majority of unit owners" as used in this declaration or in the bylaws shall mean the owners of more than 50 percent of the then existing units of the condominium.

9. SERVICE OF PROCESS. The name of the person to receive service of process in cases provided in subsection (1) of ORS 91.578 is Wayne C. Rembold and his place of business within Multnomah County, Oregon, is 117 SW Taylor, Portland, Oregon 97204.

10. ENCROACHMENTS. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of any building, or if any such encroachment shall occur hereafter as a result of settling or shifting of any building, a valid easement for the encroachment and for the maintenance of the same so long as the building stands, shall exist. In the

event any building, unit, adjoining unit, or adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of parts of the common elements upon any unit or of any unit upon any other unit or upon any portion of the common elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the building shall stand.

11. APPROVAL BY MORTGAGEES. In addition to any other approvals required by the Oregon Unit Ownership Law, this declaration or the bylaws of the association of unit owners, the prior written approval of all institutional holders of first mortgages of units in the condominium must be obtained for the following:

11.1 The abandonment, termination or removal of the property from unit ownership, except when provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

11.2 The partition or subdivision of any unit or of the common elements;

11.3 Any material amendment to this declaration or the bylaws, including, but not limited to, any change in the percentage interests in the common elements of the unit owners, except for the transfer of any parking space which

is a limited common element and except when the change in percentage interests is by virtue of the annexation of additional phases as provided in Section 13; or

11.4 The effectuation of any decision by the Association to terminate professional management and assume self-management of the property.

12. ADOPTION OF BYLAWS, APPOINTMENT OF INTERIM BOARD, AND DESIGNATION OF MANAGER. Upon the execution and the filing of this declaration, the Developer shall adopt bylaws for the Association of Unit Owners of Abitare Condominium, which bylaws are attached hereto as Exhibit F and are filed simultaneously herewith. At the same time, Developer will appoint an interim board of directors of the association, which directors shall serve until their successors have been elected as provided in the bylaws. Such interim board of directors may appoint a manager or managing agent for the condominium on behalf of the association of unit owners, and such manager or managing agent shall have complete authority to assume full control and responsibility for the management, operation and maintenance of the condominium from the date of its formation at the expense of the association.

13. PLAN OF DEVELOPMENT. The condominium may be developed in up to two phases. By filing this declaration, Developer hereby submits Phase 1 to the condominium form of ownership. Developer reserves the right to add one additional phase to the condominium and to annex such

additional phase by filing a supplement to this declaration pursuant to ORS 91.518. Any such additional phase shall be of comparable style, quality, size and range of unit value to Phase 1.

13.1 Maximum Number of Units. Phase 1 contains a total of 34 units. Proposed Phase 2 would contain not more than 23 units, for a total of not more than 57 units in the condominium.

13.2 Expiration Date. No additional phase may be added more than six years after the filing of this declaration.

13.3 Additional Common Elements. Developer does not propose to include in Phase 2 any common elements which would substantially increase the proportionate amount of the common expenses payable by owners of units in Phase 1.

13.4 Percentage Interest in Common Elements. The percentage interest in the common elements of units in Phase 1 will change if additional phases are annexed to the condominium. A chart showing the percentage interest in the common elements of each such unit upon the filing of this declaration and after the annexation of each proposed phase is attached hereto as Exhibit D.

13.5 Legal Descriptions of Additional Phases. A legal description of Phase 2 is included in Exhibit E attached hereto.

14. AMENDMENT.

14.1 Approval Required. Except as may otherwise be provided in this declaration or by the Oregon Unit Ownership Law, this declaration may be amended if such amendment is approved by 75 percent of the voting power of the unit owners. Developer's prior written consent shall also be required until annexation of the last phase of the condominium and so long as Developer owns any unit in the condominium, but no such consent shall be required after three years after this declaration is recorded. Except as provided in Section 13, no amendment may change the size, location, percentage interest in the general common elements, share of common profits or expenses, or voting power of any unit unless such amendment has been approved by the owners of the affected unit and the holders of any mortgage or trust deed on such unit.

14.2 Recordation. The amendment shall be effective upon recordation of the declaration as amended or of the amendment thereto, certified to by the chairman and secretary of the association and approved by the county assessor and the Real Estate Commissioner, in the Deed Records of Multnomah County.

15. SEVERABILITY. The determination of invalidity, by any court, of any provisions or restrictions imposed by this declaration or the Bylaws, or of any provisions

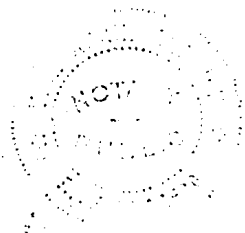
or restrictions thereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this declaration or the Bylaws, and all of the terms thereof shall be severable.

IN WITNESS WHEREOF, Developer has caused this declaration to be executed this 25th day of May, 1978.

ABITARE ASSOCIATES, a joint venture

By *[Signature]*
Wayne C. Rembold

By *[Signature]*
Franklin D. Piacentini



STATE OF OREGON)
)ss.
County of Multnomah)

On this 25th day of May, 1978, before me personally appeared Wayne C. Rembold, a joint venturer of Abitare Associates, a joint venture, and acknowledged to me that he executed the foregoing instrument for the purposes therein expressed.

V.L. April Albright
Notary Public for Oregon
My commission expires: 10/16/81

STATE OF OREGON)
)ss.
County of Multnomah)

On this 25th day of May, 1978, before me personally appeared Franklin D. Piacentini, a joint venturer of Abitare Associates, a joint venture, and acknowledged to me that he executed the foregoing instrument for the purposes therein expressed.

V.L. April Albright
Notary Public for Oregon
My commission expires: 10/16/81

MORTGAGEE'S CONSENT

Sherwood & Roberts, Inc. is the owner and holder of a mortgage on the property being submitted to the Oregon Unit Ownership Law hereunder and consents to the making of the foregoing declaration.

Sherwood & Roberts, Inc.
By John R. Redding, Vice President

STATE OF OREGON)
County of Multnomah) ss.

On this 29th day of June, 1978, personally appeared before me John R. Redding, who, being duly sworn, did say that he is the Vice President of Sherwood & Roberts, Inc., and that said instrument was signed in behalf of said Sherwood & Roberts, Inc. by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.

Francis E. Dinsley
Notary Public For Oregon
My Commission Expires: 4/26/79

The foregoing declaration is approved this 25th day of October, 1978.

Assessor and Tax Collector for Multnomah County

The foregoing Declaration and Bylaws attached hereto are approved this 23 day of October, 1978.

GORDON W. BURBEE, Real Estate Commissioner
By Barbara K...

EXHIBIT "A"

BOOK 1304 PAGE 1364

Abitare Phase I

A portion of Block 149 of CARUTHERS ADDITION TO THE CITY OF PORTLAND, in the City of Portland, Multnomah County, Oregon, described as follows:

The South 30 feet of the West 58 feet of Lot 8, and all of Lots 5 and 6, and the Westerly 3 feet of Lot 4; ALSO, Lot 7 except the following described portion: beginning at a point on the East line of Lot 7 which is N.1°26'E., 2.21 feet from the Southeasterly corner thereof; thence N.87°41'W., 12.26 feet; thence N.2°19'E., 23.00 feet; thence N.87°41'W., 30.11 feet; thence N.1°26'E., 24.14 feet to the North line of Lot 7; thence S.88°34'E., 42.00 feet to the Northeasterly corner of Lot 7; thence S.1°26'W., along the East line of Lot 7, 44.79 feet to the point of beginning.

ALSO, a parcel in Section 10, Township 1 South, Range 1 East of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at a point on the West line of S.W. Condor Avenue which is 2 feet 4 inches South from the Southeast corner of Block 149, CARUTHERS ADDITION TO THE CITY OF PORTLAND: thence Southerly along the Westerly line of S.W. Condor Avenue 207 feet 8 inches to the Northeast corner of that tract conveyed to Tenet Mortgage Co. by deed recorded June 26, 1947 in P.S. Deed Book 1182, Page 477, Multnomah County Deed Records; thence N.88°34'W., 200.346 feet; thence N.41°26'E., 78.324 feet; thence N.1°26'E., 90.00 feet; thence Northerly and parallel with and 150 feet Westerly from the Westerly line of S.W. Condor Avenue 60 feet to the South line of said Block 149; thence Easterly along the South line of Block 149, 53 feet; thence South 1 foot; thence Easterly to the point of beginning.

EXHIBIT "B"

Approximate Square Footages of Each Unit in Phase 1

<u>Unit</u>	<u>Approximate Square Footage</u>
A-1	675
A-2	675
B-1	675
B-2	675
C-1	675
C-2	675
D-1	530
D-2	530
E-1	820
E-2	820
F-1	675
F-2	675
G-2	920
H-1	530
H-2	530
H-3	675
I-1	820
I-2	820
J-1	675
J-2	675
K-1	675
K-2	675
K-3	675
L-1	675
L-2	675
M-1	675
M-2	675
T-1	530
T-2	530
T-3	675
U-1	820
U-2	820
V-1	675
V-2	675

1978

25

10

BOOK OF RECORDS

EXHIBIT "C"

BOOK 1304 PAGE 1366

Parking Space Assignments

<u>Parking Space</u>	<u>Unit</u>
1	2L
2	L1
3	1K
4	2K
5	1J
6	2J
7	1V
8	2V
9	2I
10	1I
11	2U
12	1U
13	2A
14	1A
15	2B
16	1F
17	1E
18	1D
19	2D
20	1B
21	1C
22	2E
23	2C
24	1T
25	2F
26	2T
27	3T
28	1H
29	2H
30	2G
31	3H
32	3K

EXHIBIT "D"

BOOK 1304 PAGE 1367

TO THE DECLARATION SUBMITTING PHASE 1
OF ABITARE CONDOMINIUM TO
OREGON UNIT OWNERSHIP LAW

<u>Unit</u>	<u>Phase 1</u>	<u>Phase 2 Not Less Than</u>
A-1	2.355	1.390
A-2	3.593	2.120
B-1	2.355	1.390
B-2	2.355	1.390
C-1	2.794	1.649
C-2	2.995	1.767
D-1	2.355	1.390
D-2	2.355	1.390
E-1	2.995	1.767
E-2	3.155	1.861
F-1	2.794	1.649
F-2	2.995	1.767
G-2	3.593	2.120
H-1	2.355	1.390
H-2	2.794	1.649
H-3	3.593	2.120
I-1	2.995	1.767
I-2	3.952	2.332
J-1	2.355	1.390
J-2	2.794	1.649
K-1	2.794	1.649
K-2	2.794	1.649
K-3	3.952	2.332
L-1	2.794	1.649
L-2	3.793	2.237
M-1	2.355	1.390
M-2	2.794	1.649
T-1	2.355	1.390
T-2	2.355	1.390
T-3	3.952	2.332
U-1	2.995	1.767
U-2	3.952	2.332
V-1	2.794	1.649
V-2	2.794	1.649
	<u>100.000</u>	<u>59.011</u>

1978

25

10

BOOK OF RECORDS

2381

EXHIBIT "E"

BOOK 1304 PAGE 1368

Phase II, Abitare

A portion of Blocks 148 and 149, CARUTHERS ADDITION TO THE CITY OF PORTLAND, in the City of Portland, Multnomah County, Oregon, described as follows:

Lot 3, 4 and the South one-half of Lot 2, Block 148 EXCEPT that portion in S.W. Barbur Boulevard;

ALSO, the South one-half of the East one-half of Lot 7, and all of Lots 5 and 6, Block 148;

ALSO, Lot 8, Block 149 except the South 30 feet of the West 58 feet;

ALSO, that portion of S.W. Pennoyer Street which inured to Lot 8, Block 149, and Lots 4 and 5, Block 148, upon vacation of said street.

ALSO, a portion of Lot 7, Block 149, described as follows: Beginning at a point on the East line of lot 7 which is N.1°26'E., feet from the Southeasterly corner thereof; thence N.87°41'W., 42.01 feet; thence N.1°26'E., feet to the Northerly line of lot 7; thence S.88°34'E. along the Northerly line of Lot 7, 42.00 feet to the Northeasterly corner of Lot 7; thence S.1°26'W., feet to the point of beginning.

BOOK 1304 PAGE 1369

84861

STATE OF OREGON
Multnomah County

I, Director, Department of Administration Services and Recorder of Conveyances, in and for said County, do hereby certify that the within instrument of writing was received for record and recorded in the record of said County at

NOV 25 PM 1:50

RECORD SECTION
CLERK CO. OREGON

RECEIVED

In Book 1304

Page 1331

witness my hand and seal of office affixed.

Director
Department of Administration
Services

Rec'd

Deputy

Fendler Corporation
117 1/2 S Taylor
Portland, Ore 97204

54.00

BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
ABITARE CONDOMINIUM

ARTICLE I

PLAN OF UNIT OWNERSHIP

1. Name and Location. These are the bylaws of the ASSOCIATION OF UNIT OWNERS OF ABITARE CONDOMINIUM (hereinafter the "Association"). Abitare Condominium (hereinafter the "condominium") is located in the City of Portland, Multnomah County, Oregon, and has been submitted to the Oregon Unit Ownership Law by a declaration filed simultaneously herewith and by supplemental declarations, if any, annexing property to the condominium (hereinafter collectively called "the declaration"). The location of the condominium is more specifically described in the declaration.

2. Principal Office. The principal office of the Association shall be located at 117 SW Taylor, Portland, Oregon 97204.

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

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

5. Composition of Association. The Association shall be composed of all the unit owners of the condominium, including Abitare Associates, a joint venture composed of Wayne C. Rembold and Franklin D. Piacentini, and its successors and assigns (hereinafter, "the developer"), and the Association, itself, to the extent any of these own any unit or units of the condominium.

6. Definitions.

(a) Adoption by Reference. The definitions contained in or adopted by the declaration shall be applicable to these bylaws.

(b) Percentage of unit owners. Whenever a percentage of unit owners is specified herein, such percentage means the owners of that percentage of the total number of units then existing in the condominium.

(c) Mortgage and Mortgagee. As used herein, the terms "mortgage" and "mortgagee" shall include, respectively, a deed of trust and the beneficiary of a deed of trust.

ARTICLE II

MEETINGS OF ASSOCIATION

1. Place of Meetings. The Association shall hold meetings at such suitable place convenient to the unit owners as may be designated by the board of directors from time to time.

2. First Organizational Meeting. Within ninety (90) days after the developer has submitted the first phase of the condominium to unit ownership and adopted these bylaws as owner of all the units, the developer shall call the first meeting of the unit owners to organize the Association. In the event of lack of a quorum at such first organizational meeting, it may be adjourned to the time of the next annual meeting.

3. Annual Meetings. The annual meetings of the Association shall be held in the months of February or March at such hour and on such date as the chairman may designate, or if the chairman should fail to designate such date by the first day of March, then on the last Tuesday in March. The annual meetings shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

4. Special Meetings. Special meetings of the Association may be called by the chairman or secretary or by a majority of the board of directors, and must be called by such officers upon receipt of a written request from at least thirty percent (30%) of the unit owners stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

5. Notice of Meetings. Notice of all meetings of the Association stating the time and place and the objects for which the meeting is being called shall be given by the

chairman or secretary. Such notice shall be in writing and mailed to each unit owner at his address as it appears on the books of the Association and to any first mortgagee requesting such notice not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived by any unit owner before or after meetings. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

6. Voting. Each unit owner shall have one vote for each unit of the condominium owned by him. The developer shall be entitled to vote as the unit owner of any then existing units retained by the developer, and the board of directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the board of directors shall not be entitled to vote such units in any election of directors.

7. Proxies. A vote may be cast in person or by proxy. A proxy given by a unit owner to any person who represents such owner at meetings of the Association shall be in writing and signed by such owner, and shall be filed with the secretary. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon sale of the unit by its owner. A unit owner may pledge or assign his voting rights to a mortgagee. In such a case, the mortgagee or its designated representative shall be entitled to receive all notices to which the unit owner is entitled hereunder and to exercise the unit owner's voting rights from and after the time that the mortgagee shall give written notice of such pledge or assignment to the board of directors. Any first mortgagee may designate a representative to attend all or any meetings of the Association.

8. Fiduciaries and Joint Owners. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any unit owned or held by him in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the secretary that he is the executor, administrator, guardian or trustee, holding such 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 protest, no one co-owner shall be entitled

to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of such unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

9. Quorum of Unit Owners. At any meeting of the Association, fifty percent (50%) of the unit owners, present in person or by proxy, shall constitute a quorum. The subsequent joinder of a unit owner in the action taken at a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a unit owner or owners. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

10. Majority Vote. The vote of more than fifty percent (50%) of the unit owners, present in person or by proxy, at a meeting at which a quorum is constituted shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the declaration or by these bylaws.

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

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees, if any;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment.

ARTICLE III

BOARD OF DIRECTORS

1. Number and Qualification. The affairs of the Association shall be governed by a board of directors composed of three (3) to five (5) persons, as provided in Sections 2 and 3 of this Article. All directors, other than interim directors appointed by developer, shall be owners or co-owners of units of the condominium. For purposes of this section, the officers of any corporate owner and the partners of any partnership, shall be considered co-owners of any units owned by such corporation or partnership.

2. Interim Directors. Upon the filing of the declaration submitting the condominium to the Oregon Unit Ownership Law, the developer shall appoint an interim board of three (3) directors, who shall serve until replaced by developer or their successors have been elected by the unit owners as hereinafter provided.

3. Election and Term of Office. At the first annual meeting after all of the units in the final phase of development have been sold and conveyed to purchasers, but not later than the annual meeting to be held in February or March of 1982, the interim directors shall resign and five (5) successors shall be elected, three for two year terms and two for one year terms. Thereafter, at the expiration of the initial term of office of each director, his successor shall be elected to serve for a term of two years, so that the term of not less than one-third of the directors shall expire annually. Directors shall hold office until their respective successors have been elected by the unit owners. Election shall be by plurality.

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

5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors, other than interim directors, may be removed with or without cause by a majority vote of the unit owners

present in person or by proxy, and a successor shall be elected at that meeting to fill the vacancy thus created. The notice of any such meeting shall state that such removal is to be considered, and any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

6. Powers and Duties. The board of directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or by the declaration or by these bylaws may not be delegated to the board of directors by the unit owners. The powers and duties to be exercised by the board of directors shall include, but shall not be limited to the following:

(a) Operation, care, upkeep, maintenance and repair of the general and limited common elements.

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

(c) Collection of the common expenses from the unit owners.

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

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

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

(g) Purchasing units of the condominium at foreclosure or other judicial sales in the name of the Association, or its designee, on behalf of all the unit owners as provided in these bylaws.

(h) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of directors), or otherwise dealing with units of the condominium acquired by the Association or its designee on behalf of all the unit owners.

(i) Obtaining insurance or bonds pursuant to the provisions of these bylaws.

(j) Making additions and improvements to, or alterations of, the common elements; provided, however, that no such project may be undertaken by the board if the total cost will exceed the amount of \$2,500 unless the unit owners have enacted a resolution authorizing the project by a vote of seventy-five percent (75%) of the unit owners present in person or by proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to repairs or maintenance undertaken pursuant to paragraph (a) above.

(k) Enforcement by legal means of the provisions of the Oregon Unit Ownership Law, the declaration, these bylaws and any rules and regulations adopted hereunder.

7. Managing Agent or Manager. On behalf of the Association, the board of directors may employ or contract for a managing agent or a manager at a compensation to be established by the board of directors. Any such management agreement shall be terminable by the Association for cause upon 30 days' written notice thereof, and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. The board of directors may delegate to the managing agent or manager such duties and powers as the board of directors may authorize. In the absence of such appointment, the board of directors shall act as manager.

8. Organizational Meeting. Within fourteen (14) days following the annual meeting of the Association or following any meeting at which an election of directors has been held, the board of directors shall hold an organization meeting at such place and time as shall have been fixed by the directors at the meeting at which the election was held.

9. Regular and Special Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Special meetings of the board of directors may be called by the chairman and must be called by the secretary at the written request of at least two directors. Notice of any special meeting shall be given to each director, personally or by mail, telephone or telegraph at least seven (7) days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting.

10. Waiver of Notice. Any director may, at any time, waive notice of any meeting of the board of directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall constitute a waiver by him of notice of the time and place thereof, except where a director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all of the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

11. Quorum of Board of Directors. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the board of directors. If at any meeting of the board of directors less than a quorum should be present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

12. Compensation. No director shall receive any compensation from the Association for acting as such.

13. Liability and Indemnification of Directors, Officers, Manager or Managing Agent. The directors and officers shall not be liable to the Association of the unit owners for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each director and officer and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the board of directors, officers, manager or managing agent on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the declaration or of these bylaws. Each director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party, or which they may become involved, by reason of being or having been a director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall be no indemnity if the director, officer, manager or managing agent is adjudged guilty of willful nonfeasance, misfeasance or malfeasance in the performance of his duties.

14. Fidelity Bonds. The board of directors shall require that any person or entity, including, but not limited to, employees of any professional manager, who handles or is responsible for Association funds shall furnish such fidelity bond as the board deems adequate. The premiums on such bonds shall be paid by the Association.

15. Insurance. The board of directors shall obtain the insurance required in Article VIII of these bylaws. In addition, the board of directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or unit owners. The board of directors shall conduct an annual insurance review which, if appropriate, shall include an appraisal of all improvements contained in the condominium.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Association shall be the chairman, the secretary and the treasurer, all of whom shall be elected by the board of directors. The directors may appoint a vice chairman, an assistant treasurer, an assistant secretary, and such other officers as in their judgment may be necessary. The chairman shall be a member of the board of directors, but the other officers need not be directors or unit owners.

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

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

4. Chairman. The chairman shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the board of directors. He shall have all of the general powers and duties which are usually vested in the chief executive officer of an association,

including but not limited to the power to appoint committees from among the unit owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5. Secretary. The secretary shall keep the minutes of all proceedings of the board of directors and the minutes of all meetings of the Association. He shall attend to the giving and serving of all notices to the unit owners and directors and other notices required by law. He shall keep the records of the Association, except for those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the chairman. In addition, the secretary shall act as vice chairman, taking the place of the chairman and performing his duties whenever the chairman is absent or unable to act, unless the directors have appointed another vice chairman.

6. Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the board of directors, and he shall disburse funds of the Association upon properly authorized vouchers. He shall perform all other duties incident to the office of treasurer of an association and such other duties as may be assigned to him by the board of directors.

7. Execution of Instruments. All agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by general or special resolution of the board of directors and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the chairman. All checks shall be signed by the treasurer, or in his absence or disability, by the chairman or any duly elected assistant treasurer.

8. Compensation of Officers. No officer who is a member of the board of directors, other than the secretary and treasurer, shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the unit owners. The board of directors may fix any compensation

to be paid to the secretary, treasurer and any officers who are not also directors.

ARTICLE V

BUDGET, EXPENSES AND ASSESSMENTS

1. Budget. The board of directors shall from time to time, and at least annually, prepare a budget for the Association, estimate the common expenses expected to be incurred, less any previous overassessment, and assess the common expenses to each unit owner in the same proportion as his percentage interest in the general common elements. The budget shall provide for an adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis. The board of directors shall advise each unit owner in writing of the amount of common expenses payable by him, and furnish copies of each budget on which such common expenses are based to all unit owners and, if requested, to their mortgagees.

2. Determination of Common Expenses. Common expenses shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common elements.
- (c) Cost of insurance or bonds obtained in accordance with these bylaws.
- (d) A general operating reserve.
- (e) Reserve for replacements and deferred maintenance.
- (f) Any deficit in common expenses for any prior period.
- (g) Utilities for the common areas and other utilities with a common meter or commonly billed, such as water and sewer.
- (h) Any other items properly chargeable as an expense of the Association.

3. Assessment of Common Expenses. All unit owners shall be obliged to pay common expenses assessed to them by the board of directors on behalf of the Association pursuant

to these bylaws and the declaration. Assessments may not be waived due to limited or nonuse of common elements. The developer shall be assessed as the unit owner of any unsold unit, but such assessment shall be prorated to the date of sale of the unit. Assessments shall become effective upon recording of the declaration, and at the time of closing of the initial sale of each unit, the purchaser shall make an advance payment of two month's assessments for the unit. The board of directors, on behalf of the Association, shall assess the common expenses against the unit owners from time to time, and at least annually, and shall take prompt action to collect from a unit owner any common expense due which remains unpaid by him for more than thirty (30) days from the due date for its payment. If additional units are annexed to the condominium, the board of directors shall promptly prepare a new budget reflecting the addition to the condominium and shall recompute any previous assessment covering any period after the annexation.

4. Special Assessments for Capital Improvements. In the case of any duly authorized capital improvement to the common elements, the board of directors may by resolution establish separate assessments for the same, which may be treated as capital contributions by the unit owners, and the proceeds of which shall be used only for the specific capital improvements described in the resolution.

5. Default in Payment of Common Expenses. In the event of default by any unit owner in paying to the Association the assessed common expenses, such unit owner shall be obligated to pay interest at the rate of ten percent (10%) per annum on such common expenses from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Association in any proceeding brought to collect such unpaid expenses, or any appeal therefrom. The board of directors shall have the right and duty to recover for the Association such common expenses, together with interest thereon, and expenses of the proceeding, including attorneys' fees, by an action brought against such unit owner or by foreclosure of the lien upon the unit granted by the Oregon Unit Ownership Law. The board of directors shall notify the holder of any first mortgage upon a unit of any default not cured within thirty (30) days of the date of default.

6. Foreclosure of Liens for Unpaid Common Expenses. In any suit brought by the Association to foreclose a lien on a unit because of unpaid common expenses, the unit owner shall be required to pay a reasonable rental for the use of the unit during the pendency of the suit, and the plaintiff

in such foreclosure suit shall be entitled to the appointment of a receiver to collect such rental. The board of directors, acting on behalf of the Association, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the unit. A suit or action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing the liens securing the same.

7. Statement of Common Expenses. The board of directors shall promptly provide any unit owner who makes a request in writing with a written statement of his unpaid common expenses.

8. First Mortgages. Any lien of the Association against a unit for common expenses shall be subordinate to tax and assessment liens and any first mortgage or deed of trust of record. Where the purchaser or mortgagee of a unit obtains title to the unit as a result of foreclosure of a first mortgage or by deed in lieu of foreclosure, such purchaser or mortgagee, his successors and assigns, shall not be liable for any of the common expenses chargeable to such unit which became due prior to the acquisition of title to such unit by such purchaser or mortgagee. Such unpaid share of common expenses shall be a common expense and reallocated on a prorata basis to all units, including the mortgaged unit.

ARTICLE VI

RECORDS AND AUDITS

1. General Records. The board of directors and the managing agent or manager, if any, shall keep detailed records of the actions of the board of directors and the managing agent or manager, minutes of the meetings of the board of directors and minutes of the meetings of the Association. The board of directors shall maintain a list of owners entitled to vote at meetings of the Association and a list of all mortgagees of units.

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 at convenient hours of weekdays.

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

4. Payment of Vouchers. The treasurer shall pay all vouchers up to \$1,000 signed by the chairman, managing agent, manager or other person authorized by the board of directors. Any voucher in excess of \$1,000 shall require the signature of the chairman.

5. Reports and Audits. An annual audited report of the receipts and expenditures of the Association shall be rendered by the board of directors to all unit owners and to all mortgagees of units who have requested the same within 90 days after the end of each fiscal year. At any time any owner or mortgagee may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

6. Notice of Sale, Mortgage, Rental or Lease. Immediately upon the sale, mortgage, rental or lease of any unit, the unit owner shall promptly inform the secretary or manager of the name and address of said vendee, mortgagee, lessee, or tenant.

ARTICLE VII

MAINTENANCE AND USE OF CONDOMINIUM PROPERTY

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

(a) Units. All maintenance of and repairs to any unit shall be made by the owner of such unit, who shall keep the same in good order, condition and repair and shall do all redecorating, painting and staining which at any time may be necessary to maintain the good appearance and condition of his unit. In addition, each unit owner shall be responsible for the maintenance, repair, or replacement of windows and doors and any plumbing, heating or air conditioning fixtures, telephones, water heaters, fans, lighting fixtures and lamps, fireplaces, refrigerators, dishwashers, ranges, or other appliances and accessories that may be in or connected with his unit.

(b) Common elements. All maintenance, repairs and replacements to the general and limited common elements shall be made by the Association and shall be charged to all the unit owners as a common expense. Each unit owner, however, shall keep the limited common elements which pertain to his unit in a neat, clean and sanitary condition.

2. Additions, Alterations or Improvements. A unit owner shall not, without first obtaining written consent of the board of directors, make or permit to be made any structural alteration, improvement, or addition in or to his unit, or in or to the exterior of the buildings or any other general or limited common elements. A unit owner shall make no repair or alteration or perform any other work on his unit which would jeopardize the soundness or safety of the property, or reduce the value thereof or impair any easement or hereditament unless the written consent of all unit owners affected is obtained. A unit owner shall not paint or decorate any portion of the exterior of the buildings or other general or limited common elements without first obtaining written consent of the board of directors.

3. Damage or Destruction by Casualty of Condominium Property.

(a) In the event of damage or destruction by casualty of condominium property, the damage or destruction shall be repaired, reconstructed or rebuilt unless, within fourteen (14) days of such damage or destruction, the board of directors or more than ten percent (10%) of the unit owners shall have requested a special meeting of the Association. Such special meeting must be held within sixty (60) days of the date of damage or destruction. At the time of such meeting, unless ninety percent (90%) of the unit owners, whether in person, by writing or by proxy, vote not to repair, reconstruct or rebuild the damaged property, the damage or destruction shall be repaired, reconstructed or rebuilt. In the case of substantial damage or destruction, timely written notice thereof shall be given to the unit owners and their mortgagees.

(b) The Association shall be responsible for repairing, reconstructing or rebuilding all such damage or destruction to the common elements and, to the extent of the Association's insurance coverage, all such damage or destruction to the

units. Each unit owner shall be responsible for such repairing, reconstructing or rebuilding of his unit as is not covered by the Association's insurance.

(c) If, due to the act or neglect of a unit owner, or of a member of his family or his household pet or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the common elements or to a unit owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such unit owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Association, to the extent not covered by the Association's insurance.

(d) In the event the insurance proceeds paid to the Association are not used to repair, reconstruct or rebuild the damaged or destroyed property, the Association shall distribute the proceeds among the unit owners and their mortgagees (as their interests may appear) in the same proportion as their respective undivided interests in the general common elements.

4. Condemnation. In the event of a taking in condemnation by eminent domain of part or all of the common elements, the award made for such taking shall be payable to the Association. If such proceedings are instituted or such acquisition is sought by a condemning authority as to any portion of the property, prompt written notice thereof shall be given to the unit owners and their mortgagees. If seventy-five percent (75%) or more of the unit owners duly and promptly approve the repair or restoration of such common elements, the board of directors shall arrange for the same, which shall be paid out of the proceeds of the award. In the event seventy-five percent (75%) or more of the unit owners do not duly and promptly approve the repair and restoration of such common elements, the board of directors shall disburse the net proceeds of such award to the unit owners and their mortgagees (as their interests may appear) in the same proportions as the respective undivided interests of the unit owners in the general common elements.

5. Restrictions and Requirements Respecting Use of Condominium Property. The following restrictions and requirements are in addition to all other restrictions and requirements contained in the the declaration and these bylaws:

(a) Residential use. No commercial activities of any kind shall be carried on in any unit or in any other portion of the condominium without the

consent of the board of directors of the Association or manager, except activities relating to the rental or sale of units. This provision, however, shall not be construed so as to prevent or prohibit a unit owner from maintaining his professional personal library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his unit.

(b) Use of common elements. The common elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of the units. The use, operation and maintenance of the common elements shall not be obstructed, damaged or unreasonably interfered with by any unit owner.

(c) Offensive or unlawful activities. No noxious or offensive activities shall be carried on in any unit nor shall anything be done or placed upon any unit which interferes with or jeopardizes the enjoyment of other units or the common elements or which is a source of annoyance to residents. Unit occupants shall exercise extreme care not to make noises which may disturb other unit occupants, including the use of musical instruments, radios, televisions and amplifiers. No unlawful use shall be made of the condominium nor any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(d) Animals. No animals or fowls shall be raised, kept or permitted within the condominium or any part thereof, except domestic dogs, cats, or other household pets kept within a unit. No such dogs, cats or pets shall be permitted to run at large nor shall be kept, bred or raised for commercial purposes or in unreasonable numbers. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective owners thereof. All dogs shall be kept on a leash while outside a unit. A unit owner may be required to remove a pet after receipt of two notices in writing from the board of directors of violations of any rule, regulation or restriction governing pets within the condominium.

(e) Exterior lighting or noisemaking devices and antennas. Except with the consent of the board

of directors of the Association or manager, no exterior lighting or noise making devices shall be installed or maintained on any unit and no antennas or transmitting towers shall be affixed to the general or limited common elements.

(f) Windows, balconies, terraces and outside walls. In order to preserve the attractive appearance of the condominium the board of directors of the Association or the manager may regulate the nature of items which may be placed in or on windows, balconies, terraces, and the outside walls so as to be visible from other units, the common elements, or outside the condominium. Garments, rugs, laundry and other similar items may not be hung from windows, facades, balconies or terraces.

(g) Trailers, campers and boats. Except with the consent of the board of directors of the Association or manager, no trailer, truck camper, motorcycle, boat or boat trailer, or other recreational vehicles shall be parked on any portion of the condominium, except in any areas designated for such purpose by the board of directors.

(h) Leasing and rental of units. Except with the consent of the board of directors of the Association or the manager and except for a lender in possession following default in a first mortgage, no unit owner may lease or rent less than his entire unit and no unit owner may rent his unit for transient or hotel purposes. All leases or rentals shall be by written lease agreement, which shall provide that the terms of the lease shall be subject in all respects to the provisions of the declaration and these bylaws, and that any failure by the lessee or tenant to comply with the terms of such documents shall be a default under the lease. Other than the foregoing, there is no restriction on the right of any unit owner to lease or rent his unit.

(i) Signs. Unless written approval is first obtained from the board of directors, no sign of any kind shall be displayed to the public view on or from any unit or the common elements except signs used by the developer to advertise units for sale or lease.

(j) Trash. No part of any unit or any part of the common elements shall be used or maintained as a dumping ground for rubbish, trash, garbage or

other waste. No garbage, trash or other waste shall be kept or maintained on any part of the property except in sanitary containers in the designated areas.

(k) Insurance. Nothing shall be done or kept in any unit or in the common elements which will increase the cost of insurance on the common elements. No owner shall permit anything to be done or kept in his unit or in the common elements which will result in cancellation of insurance on any unit or any part of the common elements.

(l) Water beds. Water beds may not be placed in any unit.

(m) Association rules and regulations. In addition, the board of directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the units and common elements as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the condominium property. Such action may be modified by vote of not less than seventy percent (70%) of the unit owners present, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation or rules and regulations will be under consideration. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the secretary promptly to each unit owner and shall be binding upon all unit owners and occupants of all units from the date of delivery.

6. Right of entry. A unit owner shall grant the right of entry to the board of directors, managing agent, manager or any other person authorized by the board of directors in the case of any emergency originating in or threatening his unit or other condominium property, whether or not the owner is present at the time. A unit owner shall also permit such persons to enter his unit for the purpose of performing installations, alterations or repairs to any common element and for the purpose of inspection to verify that the unit owner is complying with the restrictions and requirements described in Section 5 of this Article, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner.

7. Easements for Developer. Developer and its agents, successors and assigns shall have an easement over and upon the common elements for the purpose of constructing an additional phase, making repairs to existing structures and carrying out sales and rental activities necessary or convenient for the sale or rental of units, including, without limitation, the right to use the units owned by developer as model units and the right to use a unit as a sales office.

8. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted hereunder or the breach of any bylaw contained herein or of any provision of the declaration shall give the board of directors, acting on behalf of the Association, the right, in addition to any other rights set forth in these bylaws:

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

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

In addition, any aggrieved unit owner may bring an action to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

ARTICLE VIII

INSURANCE

1. Insurance. For the benefit of the Association and the unit 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:

(a) A policy or policies of insurance covering loss or damage from fire, with extended coverage endorsement, and such other coverages such as flooding, which the Association may deem desirable, for not less than the full insurable replacement value of the units and common elements. Such policy or policies shall name developer, the Association and the unit owners as insureds, as their interest may appear, and shall provide for a

separate loss payable endorsement in favor of the mortgagee or mortgagees of each unit, if any. In no event shall the policy or policies have a deductible clause in excess of Five Hundred Dollars (\$500) per unit.

(b) A policy or policies insuring the developer, the Association, the board of directors, the unit owners and the managing agent, against liability to the public or to the owners of units, and of common elements, and their invitees or tenants, incident to the ownership or use of the property. There may be excluded from such policy or policies coverage of a unit owner (other than as a member of the Association or board of directors) for liability arising out of acts or omission of such unit owner and liability incident to the ownership and/or use of the part of the property as to which such unit owner has the exclusive use or occupancy. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000) on a combined single limit basis. Such policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured; and

(c) Workman's compensation insurance to the extent necessary to comply with any applicable laws.

Each unit owner shall be responsible for obtaining, at his own expense, insurance covering his property not insured under paragraph (a) above and against his liability not covered under paragraph (b) above, unless the Association agrees otherwise.

2. Policies. Insurance obtained by the Association shall be governed by the following provisions:

(a) All policies shall be written with the State of Oregon or a company licensed to do business in the State of Oregon and holding a commissioner's rating of "A," and a size rating of "AAA," or better by the Best's Insurance Reports current at the time the insurance is written or, prior to the initial meeting of the Association, one acceptable to developer.

(b) All losses under policies hereafter in force regarding the property shall be settled exclusively with the board of directors or its authorized representative. Proceeds of the policies shall be paid to the Association as trustee for the unit owners, or, upon demand of any mortgagee, to an insurance trustee acceptable to the Association and mortgagees of units.

(c) Each unit owner shall be required to notify the board of directors of all improvements made by the owner to his unit, the value of which is in excess of Five Hundred Dollars (\$500). Nothing in this paragraph shall permit an owner to make improvements without first obtaining the approval of the board of directors pursuant to Article VII, Section 2.

(d) Any unit owner who obtains individual insurance policies covering any portion of the property other than his personal property and fixtures shall file a copy of such individual policy or policies with the Association within thirty (30) days after the purchase of such insurance.

3. Provisions. The board of directors shall make every effort to secure insurance policies that will provide for the following:

(a) 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.

(b) A provision that the master policy on the condominium cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual owners.

(c) A provision that the master policy on the condominium cannot be cancelled, 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 manager cure the defect.

(d) A provision that any "no other insurance" clause in the master policy exclude individual owners' policies from consideration, and a waiver of the usual proration clause with respect to such policies.

(e) A provision that the insurer issue subpolicies specifying the portion of the master policy earmarked for each owner's interest and that until the insurer furnished written notice and a grace period to the mortgagee insured under the loss payable clause thereof, the mortgagee's coverage is neither jeopardized by the conduct of the unit mortgagor-owner, the Association, or other unit owners nor cancelled for nonpayment of premiums.

(f) A rider on the master policy patterned after "Use and Occupancy" insurance which will provide relief from monthly assessments while a unit is uninhabitable by the payment of the condominium expenses thereof and any other fixed costs, including, but without being limited to, taxes, rent, insurance, and mortgage payments. The proceeds from any casualty policy, whether held by the Association or a unit owner, payable with respect to any loss or damage to the common elements, shall be held in trust for the benefit of all insureds as their interest may appear.

(g) A waiver of the insurer's right to determine whether the damage should be repaired. If reasonably available, the policy or policies should contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild.

4. FNMA and GNMA Requirements. Notwithstanding any other provisions of this Article, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity requirements for condominium projects established by Federal National Mortgage Association and Government National Mortgage Association, so long as either is a mortgagee or Owner of a unit within the condominium, except to the extent such coverage is not available or has been waived in writing by Federal National Mortgage Association or Government National Mortgage Association.

ARTICLE IX

AMENDMENTS TO BYLAWS

1. How Proposed. Amendments to the bylaws shall be proposed by either a majority of the board of directors or by thirty percent (30%) of the unit owners. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

2. Adoption. A resolution adopting a proposed amendment may be proposed by either the board of directors or by the unit owners and may be approved by the unit owners at a meeting called for this purpose. Unit owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution must be approved by seventy-five percent (75%) of the unit owners and by developer so long as developer owns any unit in the condominium. Developer's consent shall not be required after three years after recording of the Phase 1 declaration.

3. Execution and Recording. An amendment shall not be effective until certified by the chairman and secretary of the Association, approved by the Real Estate Commissioner, and recorded as required by law.

ARTICLE X

MISCELLANEOUS

1. Notices. All notices to the Association or to the board of directors shall be sent care of the managing agent, or if there is no managing agent, to the principal office of the Association or to such other address as the board of directors may hereafter designate from time to time. All notices to any unit owner shall be sent to such address as may have been designated by him from time to time, in writing, to the board of directors, or if no address has been designated, then to the owner's unit.

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

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

4. Action Without a Meeting. Any action which the Oregon Unit Ownership Law, the declaration or the bylaws require or permit the owners or directors to take at a meeting may be taken without a meeting if a consent in writing setting forth

the action so taken is signed by all of the owners or directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the owners or directors, shall be filed in the records of minutes of the Association.

5. Conflicts. These bylaws are intended to comply with the Oregon Unit Ownership Law and the declaration. In case of any irreconcilable conflict, such statute and document shall control over these bylaws or any rules and regulations adopted hereunder.

DATED, at Portland, Oregon, this 25th day of May, 1978.

ABITARE ASSOCIATES, a joint venture

By [Signature]
Wayne C. Rembold

By [Signature]
Franklin D. Piacentini

STATE OF OREGON)
)ss.
County of Multnomah)

NO SEAC

We, Lorin J. Christean and Betty Owen, hereby certify that we are the duly elected, qualified and acting chairman and secretary, respectively, of the ASSOCIATION OF UNIT OWNERS OF ABITARE CONDOMINIUM and that the within and foregoing is a full, true and complete copy of the bylaws of said Association, duly adopted on the 25th day of May, 1978, by Abitare Associates.

IN WITNESS WHEREOF, we have hereunto set our official signatures this 2nd day of June, 1978.

[Signature]
Chairman

[Signature]
Secretary

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POOR 1304 PAGE 1395

2

84582

STATE OF OREGON
Multnomah County

Director, Department of Administration Services, and Recorder of Conveyances, in and recorded in the record of said County at

RECEIVED

1978 OCT 25 PM 1:59

MULTNOMAH CO. OREGON

In Book 1304 On Page 1392

Witness my hand and seal of office affixed.

Director
Department of Administration Services

Deputy

Franklin Corporation
11 1/2 St. Joseph
Overland Oregon 97057

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SUPPLEMENTAL DECLARATION SUBMITTING
PHASE 2 OF ABITARE CONDOMINIUM
TO OREGON UNIT OWNERSHIP LAW

BOOK 1316 PAGE 2093

THIS DECLARATION, pursuant to the provisions of the Oregon Unit Ownership Law, is made and executed this 15th day of August, 1978, by ABITARE ASSOCIATES, a joint venture composed of Wayne C. Rembold and Franklin D. Piacentini, hereinafter called "Developer."

By document dated May 25, 1978, entitled Declaration Submitting Phase 1 of Abitare Condominium to Oregon Unit Ownership Law, Developer created a condominium known as Abitare Condominium, which is located in the City of Portland, Multnomah County, Oregon. The purpose of this supplemental declaration is to submit Phase 2 of Abitare Condominium to the condominium form of ownership and use in the manner provided by the Oregon Unit Ownership Law, and to annex such phase to Abitare Condominium.

NOW, THEREFORE, Developer does hereby declare and provide as follows:

1. DEFINITIONS. When used herein the following terms shall have the following meanings:

1.1 "Bylaws" means the Bylaws of the Association of Unit Owners of Abitare Condominium adopted upon the recording of the Phase 1 Declaration.

1.2 "Developer" means Abitare Associates, a joint venture composed of Wayne C. Rembold and Franklin D. Piacentini, and its successors and assigns.

1.3 "Institutional holder of a first mortgage"

means a holder of a first mortgage, trust deed or equivalent security interest in a unit, if such holder is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

1.4 "Phase 1 Declaration" means that instrument

dated May 25, 1978 and recorded October 25, 1978 in Book 1304 of the Records of Deeds of Multnomah County, Oregon, at page 1351.

1.5 "Plans" means the plat or site plan and floor

plans of Phase 2 of Abitare Condominium, recorded simultaneously with the recording of this declaration.

1.6 Incorporation by Reference. Except as other-

wise provided in this declaration, each of the terms defined in ORS 91.500, a part of the Oregon Unit Ownership Law, shall have the meanings set forth in such section.

2. PROPERTY SUBMITTED. The property submitted to the

Oregon Unit Ownership Law hereunder is held by Developer and conveyed by it in fee simple estate. The land submitted hereunder, being Phase 2 of Abitare Condominium, is located in the City of Portland, Multnomah County, Oregon, and is more particularly described in Exhibit A attached hereto. Such property includes the land so described, all buildings,

improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all personal property used in connection therewith.

3. NAME. The name by which the property submitted hereunder shall be known is "Abitare Condominium."

4. UNITS.

4.1 General Description of Buildings. Phase 2 contains two buildings of dwelling units. Both buildings have both two and three story elements, without basement. The buildings are of wood frame construction with concrete foundation, plywood siding and composition built-up roof.

4.2 General Description, Location and Designation of Units. Phase 2 consists of a total of 23 units. The dimensions, designation and location of each unit in Phase 2 is shown in the plans filed simultaneously herewith and made a part of this declaration as if fully set forth herein. The approximate area of each unit is shown on Exhibit B, attached hereto and made a part hereof.

4.3 Boundaries of Units. Each unit shall be bounded by the interior surfaces of its perimeter and bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and shall include both the interior surfaces so described and the air space so encompassed. In addition, each unit shall include the outlet of any utility service lines, including water, sewerage, gas or

electricity, and ventilating ducts, within the unit, but shall not include any part of such lines or ducts themselves.

5. GENERAL COMMON ELEMENTS. Each unit will be entitled to a percentage ownership interest in the general common elements determined by the ratio by which the approximate value of the particular unit bears to the total approximate value of all units combined, as shown on Exhibit C, attached hereto and made a part hereof. The general common elements in Phase 2 consist of the following:

5.1 The land, pathways, driveways, fences, grounds, carport structures and parking areas, except parking spaces within carports and certain other parking spaces bearing a number as shown on the plans, which are designated as limited common elements by Section 6 below.

5.2 Pipes, ducts, flues, chutes, conduits, wires and other utility installations to their outlets.

5.3 Roofs, foundations, bearing walls, perimeter walls, beams, columns and girders to the interior surfaces thereof.

5.4 The exterior surfaces of balconies and roof terraces.

5.5 All other elements of the buildings and the property necessary or convenient to their existence, maintenance and safety, or normally in common use, except as may be expressly designated herein as part of a unit or a limited common element.

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6. LIMITED COMMON ELEMENTS. The following shall constitute limited common elements, the use of which shall be restricted to the units to which they pertain:

6.1 All balconies and roof terraces, except for the outside exterior surfaces thereof, each of which shall pertain to the unit which it adjoins.

6.2 Parking spaces within carport structures and any other parking spaces which bear a number as shown on the Plans, each of which shall pertain to the unit indicated on Exhibit D attached hereto; provided, however, that any such parking space may be transferred so as to pertain to a different unit by an amendment to this declaration executed by the owner and any mortgagee of the unit to which the parking space previously pertained and by the owner of the unit to which the space is being transferred. Such transfer shall be effective upon the filing of such amendment in the Records of Deeds of Multnomah County, Oregon. No transfer, however, shall be such as to leave any unit without at least one parking space assigned to it as a limited common element.

7. USE OF PROPERTY; MAINTENANCE.

7.1 Each unit in this phase is to be used for residential purposes as described in the Bylaws. Additional limitations on use are contained in the Bylaws and the rules and regulations adopted pursuant to such bylaws. Each unit owner shall be bound by each of the terms, conditions, limitations and provisions contained in such documents.

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7.2 The necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the Bylaws. If the mortgagee or beneficiary of any unit determines that the Board of Directors is not providing an adequate maintenance, repair and replacement program for the common elements, such mortgagee or beneficiary, at its option, may deliver a notice to the Board of Directors by delivering same to the registered agent, as required pursuant to ORS 91.578, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 90 days subsequent to receipt of such notice, then the mortgagee or beneficiary, upon written notice to the registered agent that it is exercising its proxy rights thereunder, shall have the right to attend succeeding annual or special meetings of the Association and to cast a vote for each unit on which it holds a mortgage or deed of trust on all business coming before such meeting, which proxy rights shall continue until the defects listed on the notice are corrected.

8. COMMON PROFITS AND EXPENSES; VOTING.

8.1 The common profits derived from and the common expenses of the common elements shall be distributed and charged to the owner of each unit according to the

percentage of undivided interest of such unit in the general common elements.

8.2 Notwithstanding the provisions of ORS 91.500 (15), each unit owner shall be entitled to one vote in the affairs of the association of unit owners for each unit owned by him. "Majority" or "majority of unit owners" as used in this declaration or in the bylaws shall mean the owners of more than 50 percent of the then existing units of the condominium.

9. SERVICE OF PROCESS. The name of the person to receive service of process in cases provided in subsection (1) of ORS 91.578 is Wayne C. Rembold and his place of business within Multnomah County, Oregon, is 117 SW Taylor, Portland, Oregon 97204.

10. ENCROACHMENTS. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of any building, or if any such encroachment shall occur hereafter as a result of settling or shifting of any building, a valid easement for the encroachment and for the maintenance of the same so long as the building stands, shall exist. In the event any building, unit adjoining unit, or adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or

eminent domain proceedings, and then rebuilt, encroachments of parts of the common elements upon any unit or of any unit upon any other unit or upon any portion of the common elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the building shall stand.

11. APPROVAL BY MORTGAGEES. In addition to any other approvals required by the Oregon Unit Ownership Law, this declaration or the bylaws of the association of unit owners, the prior written approval of all institutional holders of first mortgages of units in the condominium must be obtained for the following:

11.1 The abandonment, termination or removal of the property from unit ownership, except when provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

11.2 The partition or subdivision of any unit or of the common elements;

11.3 Any material amendment to this declaration or the bylaws, including, but not limited to, any change in the percentage interests in the common elements of the unit owners, except for the transfer of any parking space which is a limited common element; or

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11.4 The effectuation of any decision by the Association to terminate professional management and assume self-management of the property.

12. ADOPTION OF BYLAWS, APPOINTMENT OF INTERIM BOARD, AND DESIGNATION OF MANAGER. Upon the execution and the filing of the Phase 1 Declaration, the Developer adopted bylaws for the Association of Unit Owners of Abitare Condominium, which bylaws were filed simultaneously therewith. At the same time, Developer appointed an interim board of directors of the association, which directors shall serve until their successors have been elected as provided in the bylaws. Such interim board of directors may appoint a manager or managing agent for the condominium on behalf of the association of unit owners, and such manager or managing agent shall have complete authority to assume full control and responsibility for the management, operation and maintenance of the condominium from the date of its formation at the expense of the association.

13. AMENDMENT.

13.1 Approval Required. Except as may otherwise be provided in this declaration or by the Oregon Unit Ownership Law, this declaration may be amended if such amendment is approved by 75 percent of the voting power of the unit owners. Developer's prior written consent shall also be required so long as Developer owns any unit in the condominium, but no such consent shall be required after three

years after the Phase 1 Declaration was recorded. No amendment may change the size, location, percentage interest in the general common elements, share of common profits or expenses, or voting power of any unit unless such amendment has been approved by the owners of the affected unit and the holders of any mortgage or trust deed on such unit.

13.2 Recordation. The amendment shall be effective upon recordation of the declaration as amended or of the amendment thereto, certified to by the chairman and secretary of the association and approved by the county assessor and the Real Estate Commissioner, in the Deed Records of Multnomah County.

14. SEVERABILITY. The determination of invalidity, by any court, of any provisions or restrictions imposed by this declaration or the Bylaws, or of any provisions or restrictions thereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this declaration or the Bylaws, and all of the terms thereof shall be severable.

IN WITNESS WHEREOF, Developer has caused this declaration to be executed this 15th day of August, 1978.

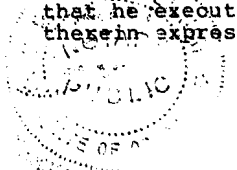
ABITARE ASSOCIATES, a joint venture

By 
Wayne C. Rembold

By 
Franklin D. Piacentini

STATE OF OREGON)
)ss.
County of Multnomah)

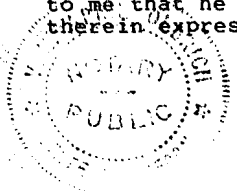
On this 15th day of August, 1978, before me personally appeared WAYNE C. REMBOLD, a joint venturer of Abitare Associates, a joint venture, and acknowledged to me that he executed the foregoing instrument for the purposes therein expressed.



V.L. Annal Albright
Notary Public for Oregon
My Commission Expires: 10-16-81

STATE OF OREGON)
)ss.
County of Multnomah)

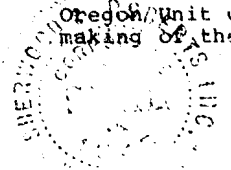
On this 15th day of August, 1978, before me personally appeared FRANKLIN D. PIACENTINI, a joint venturer of Abitare Associates, a joint venture, and acknowledged to me that he executed the foregoing instrument for the purposes therein expressed.



V.L. Annal Albright
Notary Public for Oregon
My Commission Expires: 10-16-81

MORTGAGEE'S CONSENT

SHERWOOD & ROBERTS, INC., a Washington Corporation is the owner and holder of a mortgage on the property being submitted to the Oregon Unit Ownership Law hereunder and consents to the making of the foregoing declaration.



SHERWOOD & ROBERTS, INC.
By John R. Redding
John R. Redding, Vice President

STATE OF OREGON)
)ss.
County of Multnomah)

On this 20th day of October, 1978, personally appeared before me John R. Redding, who, being duly sworn, did say that he is the Vice President

of SHERWOOD & ROBERTS, INC., and that said instrument was signed in behalf of said SHERWOOD & ROBERTS, INC. by authority of its board of directors; and he acknowledged said instrument to be its voluntary act and deed.



Frances E. Quisley
Notary Public For Oregon
My Commission Expires: 4/26/79

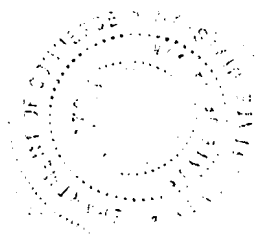
The foregoing declaration is approved this 18th day of December, 1978.

by *Ernest M. Puhl*
Assessor and Tax Collector
for *Multnomah* County

The foregoing Declaration and Rylaws attached hereto are approved this 15th day of December, 19 .

GORDON W. BURBEE, Real Estate
Commissioner

By *Barbara Kang*



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EXHIBIT "A"

BOOK 1316 PAGE 2105

Phase II, Abitare

A portion of Blocks 148 and 149, CARUTHERS ADDITION TO THE CITY OF PORTLAND, in the City of Portland, Multnomah County, Oregon, described as follows:

Lot 3, 4 and the South one-half of Lot 2, Block 148 EXCEPT that portion in S.W. Barbur Boulevard;

ALSO, the South one-half of the East one-half of Lot 7, and all of Lots 5 and 6, Block 148;

ALSO, Lot 8, Block 149 except the South 30 feet of the West 58 feet;

ALSO, that portion of S.W. Pennoyer Street which inured to Lot 8, Block 149, and Lots 4 and 5, Block 148, upon vacation of said street.

ALSO, a portion of Lot 7, Block 149, described as follows: Beginning at a point on the East line of lot 7 which is N.1°26'E., 25.21 feet from the Southeasterly corner therof; thence N.87°41'W., 42.01 feet; thence N.1°26'E., 24.14 feet to the Northerly line of lot 7; thence S.88°34'E. along the Northerly line of Lot 7, 42.00 feet to the Northeasterly corner of Lot 7; thence S.1°26'W., 24.79 feet to the point of beginning.

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EXHIBIT "B"

BOOK 1316 PAGE 2106

Approximate Square Footages of Each Unit in Phase 2

<u>Unit</u>	<u>Approximate Square Footage</u>
N-1	675
N-2	675
N-3	675
O-1	675
O-2	675
P-1	675
P-2	675
Q-1	530
Q-2	530
Q-3	675
R-1	820
R-2	820
S-1	675
S-2	675
W-1	675
W-2	675
X-1	530
X-2	530
X-3	675
Y-1	820
Y-2	820
Z-1	675
Z-2	675

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EXHIBIT C

PERCENTAGE INTEREST IN GENERAL COMMON
ELEMENTS OF EACH UNIT IN BOTH PHASES
AT FINAL STAGE OF DEVELOPMENT

<u>Unit</u>	<u>Percentage Interest</u>
A-1	1.390
A-2	2.120
B-1	1.390
B-2	1.390
C-1	1.649
C-2	1.767
D-1	1.390
D-2	1.390
E-1	1.767
E-2	1.861
F-1	1.649
F-2	1.767
G-2	2.120
H-1	1.390
H-2	1.649
H-3	2.120
I-1	1.767
I-2	2.332
J-1	1.390
J-2	1.649
K-1	1.649
K-2	1.649
K-3	2.332
L-1	1.649
L-2	2.237
M-1	1.390
M-2	1.649
N-1	1.390
N-2	1.649
N-3	2.332
O-1	1.649
O-2	2.237
P-1	1.649
P-2	1.649

<u>Unit</u>	<u>Percentage Interest</u>
Q-1	1.390
Q-2	1.390
Q-3	2.332
R-1	1.767
R-2	2.332
S-1	1.649
S-2	1.649
T-1	1.390
T-2	1.390
T-3	2.332
U-1	1.767
U-2	2.332
V-1	1.649
V-2	1.649
W-1	1.649
W-2	1.767
X-1	1.390
X-2	1.390
X-3	2.332
Y-1	1.767
Y-2	2.332
Z-1	1.649
Z-2	1.649
	<hr/>
	100.000

EXHIBIT "D"
Parking Space Assignments

<u>Parking Space</u>	<u>Unit</u>
33	3N
34	2M
35	2W
36	Guest
37	Guest
38	IW
39	1M
40	2N
41	1N
42	3X
43	2X
44	1X
45	2Y
46	1Y
47	1Z
38	2Z
49	20
50	10
51	2P
52	1P
53	3Q
54	2Q
55	1Q
56	2R
57	1R
58	2S
59	1S
60	Garage Access

1316-2093

BOOK 1316 PAGE 2110

59111

STATE OF OREGON)
Multnomah County)

SEAL

I, Director, Department of Administration Services and Recorder of Conveyances, in and for said County, do hereby certify that the within and foregoing instrument was received for record and recorded in the record of said County at

DEC 13 PM 4:20

In Book 1316 Page 2093

Witness my hand and seal of office aforesaid.

Director
Department of Administration
Services

P. Monnett
Deputy

Kimball Corp
1178 1/2 Taylor
Portland Ore 97204
51.00

11 6 81

BOOK 1560 PAGE 1842

AMENDMENT TO THE BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
ABITARE CONDOMINIUM

Pursuant to Article 13 of the Bylaws of the Association of Unit Owners of the Abitare Condominium and in accordance with the provisions of the Oregon Unit Ownership Law, the following change in language of Article VI, paragraph 5. of the Bylaws is adopted.

- 5. An annual review or audited report, as deemed necessary by the Board of Directors, shall be made of the receipts and expenditures of the Association and rendered by the Board of Directors to all Unit Owners and to all mortgagers of the unit who have requested the same within 90 days after the end of each fiscal year.

We hereby certify that the above amendment to the Bylaws of the Association of Unit Owners of Abitare Condominium was adopted at a duly called meeting of the Association of Unit Owners by a vote of 81 % of the owners of units within the condominium on the 26 day of October, 1981.

Arthur P. Chinn
President

Charlotte Sahnou
Secretary

STATE OF OREGON
County of Multnomah
October 27, 1981

Personally appeared Arthur P. Chinn and Charlotte Sahnou, who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of the Association of Unit Owners of Abitare Condominium, and that said instrument was signed in behalf of the association by authority of its unit owners; and each of them acknowledged said instrument to be its voluntary act and deed.

Burt J. Sloman
Notary Public for Oregon
My Commission Expires: 9/14/84

78048

NOV 06 1981

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STATE OF OREGON }
Multnomah County }

Director, Department of Admin-
istrative Services and Records of Multnomah County
for the purpose of recording and
returning to the donor the original
instrument of writing, as recorded in the
public records of Multnomah County, Oregon.

BOOK 1560 PAGE 1843

In Book 1560 On Page 1842
I hereby certify that the above
instrument of writing was recorded in the
public records of Multnomah County,
Oregon, on this 11th day of June, 1981.
Director, Department of Administration
Services
P. Thompson
Deputy

Charles W. Chapman
520 SW Yamhill
97204

4070

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NOV 06 1981