

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, 'CITY OF PORTLAND'
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 2 OF 18

otak
REGISTERED PROFESSIONAL
LAND SURVEYOR
17200 S.W. BONES FERRY ROAD
PORTLAND, OREGON 97227
(503) 455-5010 FAX (503) 455-5395



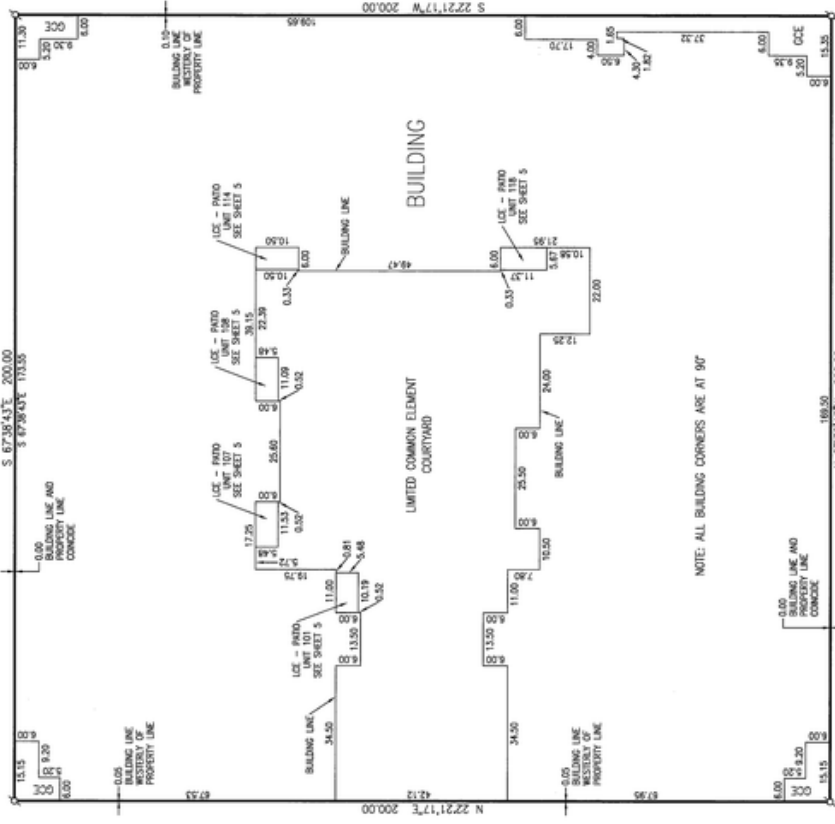
LEGEND

- Ø DENOTES BRASS SPOKE WITH 3/4" BRASS NUTS AND WOODEN 'TOM' N.C. SET.
- DENOTES GENERAL COMMON ELEMENT

NOTE: SEE SHEET 12 FOR BUILDING SECTION A-A

REGISTERED PROFESSIONAL LAND SURVEYOR
GARY E. PAUL
RENEWAL 12/31/2008

THIS IS AN EXACT COPY OF THE ORIGINAL PLAN, 'UNIVERSITY PARK CONDOMINIUMS'.
Gary E. Paul
P.L.S. No. 1088



NOTE: ALL BUILDING CORNERS ARE AT 90°

S.W. MARKET STREET

S.W. PARK AVENUE

S.W. BROADWAY AVENUE

S.W. CLAY STREET

30'

40'

40'

30'

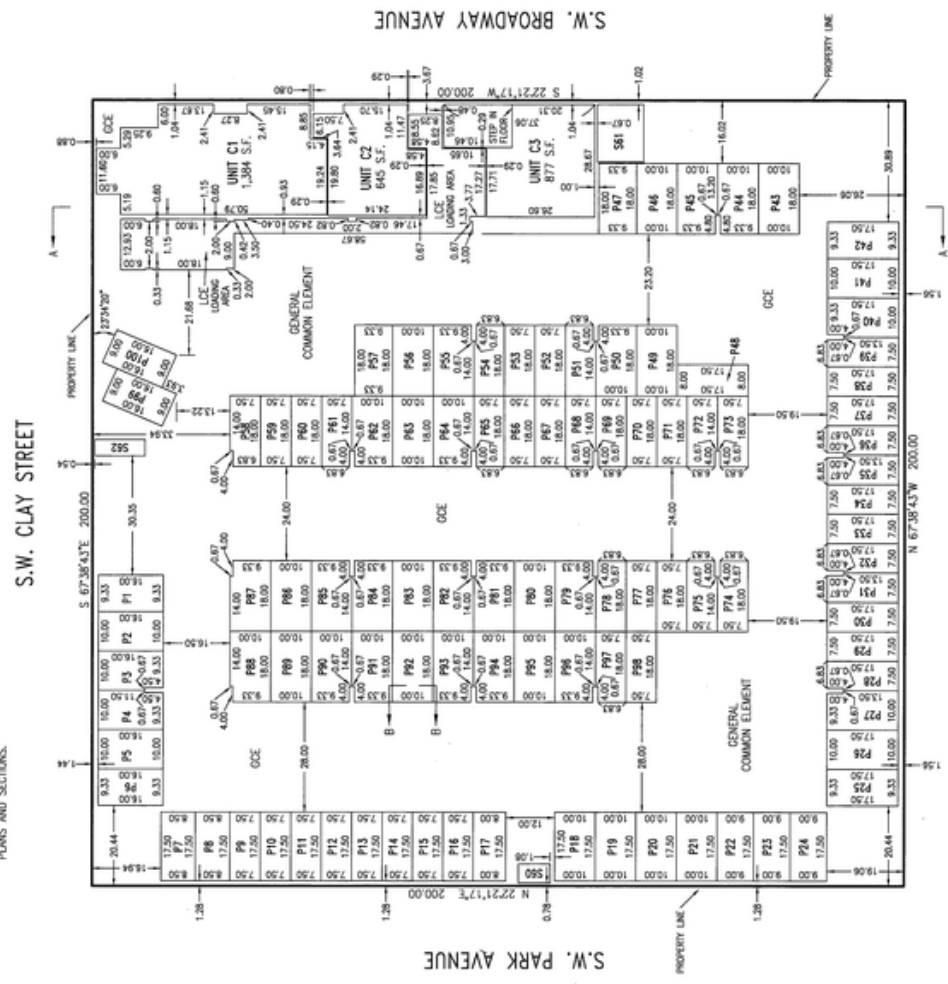
30'

**UNIVERSITY PARK
CONDOMINIUMS**
LOTS 1-8, BLOCK 203, CITY OF PORTLAND,
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2006
SHEET 3 OF 13

otak
REGISTERED PROFESSIONAL LAND SURVEYOR
13355 S.W. BOWEN FERRY ROAD
LAKE OSWEGO, OREGON 97035
(503) 639-9818 FAX (503) 639-3385

LEGEND
GCE DENOTES GENERAL COMMON ELEMENTS
LCE DENOTES LIMITED COMMON ELEMENTS
CF DENOTES COMMERCIAL UNIT NUMBER
P# DENOTES PARKING UNIT NUMBER
SF DENOTES STORAGE UNIT NUMBER
S.F. DENOTES SQUARE FEET

NOTE: ALL UNIT AND COMMON ELEMENT WALLS / BOUNDARIES ARE AT 90°. SEE SHEET 12 FOR BUILDING SECTION A-A. SEE SHEET 4 FOR PARKING UNIT SECTION B-B. SEE SHEET 11 FOR STORAGE UNIT PLANS AND SECTIONS.



UNIT NO.	AREA	UNIT NO.	AREA
P1	149 S.F.	P94	132 S.F.
P2	100 S.F.	P95	177 S.F.
P3, P4	157 S.F.	P96	180 S.F.
P5	140 S.F.	P97	187 S.F.
P6	149 S.F.	P98	132 S.F.
P7, P8	148 S.F.	P99, P90	135 S.F.
P9-P16	131 S.F.	P101	132 S.F.
P17	140 S.F.	P102	177 S.F.
P18-P21	175 S.F.	P103	119.33
P22-P24	157 S.F.	P104	119.40
P25	183 S.F.	P105	119.35
P26	175 S.F.	P106, P107	135 S.F.
P27	172 S.F.	P108, P109	132 S.F.
P28	138 S.F.	P110, P111	135 S.F.
P29, P30	131 S.F.	P112-P115	132 S.F.
P31, P32	138 S.F.	P116, P117	135 S.F.
P33, P34	131 S.F.	P118	133 S.F.
P35, P36	128 S.F.	P119	177 S.F.
P37, P38	131 S.F.	P120	180 S.F.
P39	138 S.F.	P121, P122	177 S.F.
P40	172 S.F.	P123	180 S.F.
P41	175 S.F.	P124, P125	177 S.F.
P42	163 S.F.	P126	180 S.F.
P43	180 S.F.	P127, P128	177 S.F.
P44, P45	177 S.F.	P129	180 S.F.
P46	180 S.F.	P130, P131	177 S.F.
P47	168 S.F.	P132	180 S.F.
P48	140 S.F.	P133, P134	177 S.F.
P49	180 S.F.	P135	180 S.F.
P50	177 S.F.	P136	177 S.F.
P51	132 S.F.	P137	132 S.F.
P52	135 S.F.	P138	135 S.F.
P53	135 S.F.	P139, P140	144 S.F.

REGISTERED PROFESSIONAL LAND SURVEYOR
Gregory J. Paul
OREGON SURVEYOR # 1000
GARY PAUL
2008
GENERAL 12/31/2008
THIS IS AN EXACT COPY OF THE ORIGINAL PLAN, UNIVERSITY PARK CONDOMINIUMS.
P.L.S. NO. 2008

S.W. MARKET STREET
GARAGE LEVEL FLOOR PLAN
SCALE: 1"=20'

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 208, "CITY OF PORTLAND"
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 4 OF 13

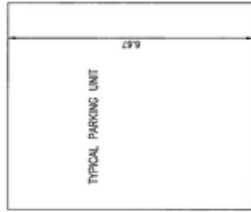
otak
REGISTERED PROFESSIONAL LAND SURVEYOR
17335 S.W. BOONES FERRY ROAD
LAKE COVING, OREGON 97035
(503)535-5814 FAX (503)535-5355



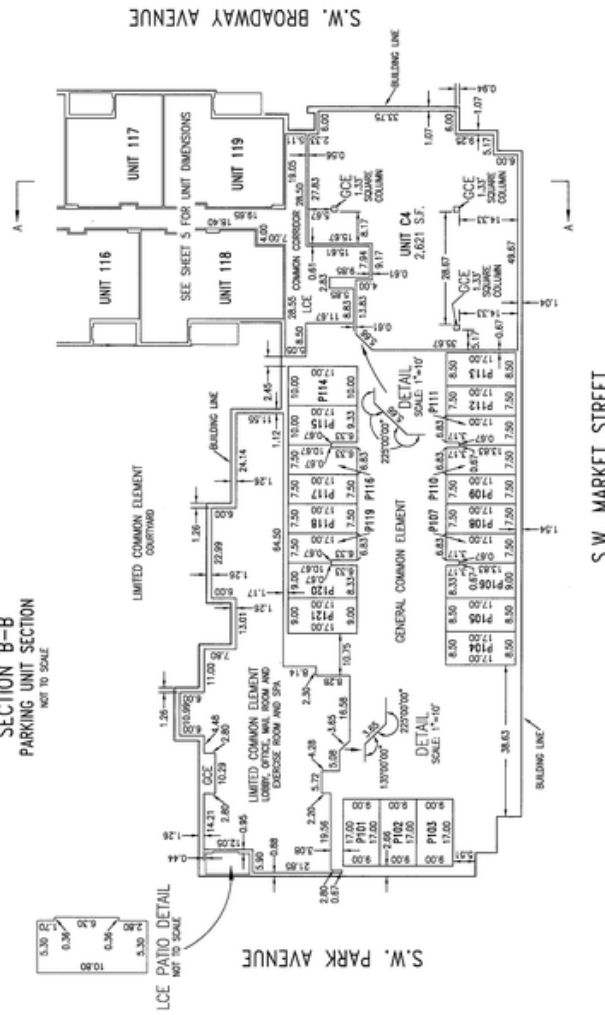
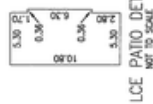
LEGEND

- GCE DENOTES GENERAL COMMON ELEMENT
- LCE DENOTES LIMITED COMMON ELEMENT
- C4 DENOTES COMMERCIAL UNIT NUMBER
- PF DENOTES PARKING UNIT NUMBER
- S.F. DENOTES SQUARE FEET

NOTE: ALL UNIT AND COMMON ELEMENT WALLS / BOUNDARIES ARE AT 90° UNLESS OTHERWISE NOTED.
SEE SHEET 12 FOR BUILDING SECTION A-A.
SEE SHEET 3 FOR PARKING UNITS P1-P102.



**SECTION B-B
PARKING UNIT SECTION**
NOT TO SCALE



S.W. PARK AVENUE

S.W. BROADWAY AVENUE

S.W. MARKET STREET

FIRST FLOOR PLAN
SCALE: 1"=80'

PARKING UNIT AREAS

UNIT NO.	AREA
P101-P103	153 S.F.
P104, P105	144 S.F.
P106	150 S.F.
P107	125 S.F.
P108, P109	127 S.F.
P110, P111	125 S.F.
P112	127 S.F.
P113	144 S.F.
P114	170 S.F.
P115	165 S.F.
P116	123 S.F.
P117, P118	127 S.F.
P119	123 S.F.
P120	148 S.F.
P121	153 S.F.

PARKING UNIT ELEVATIONS

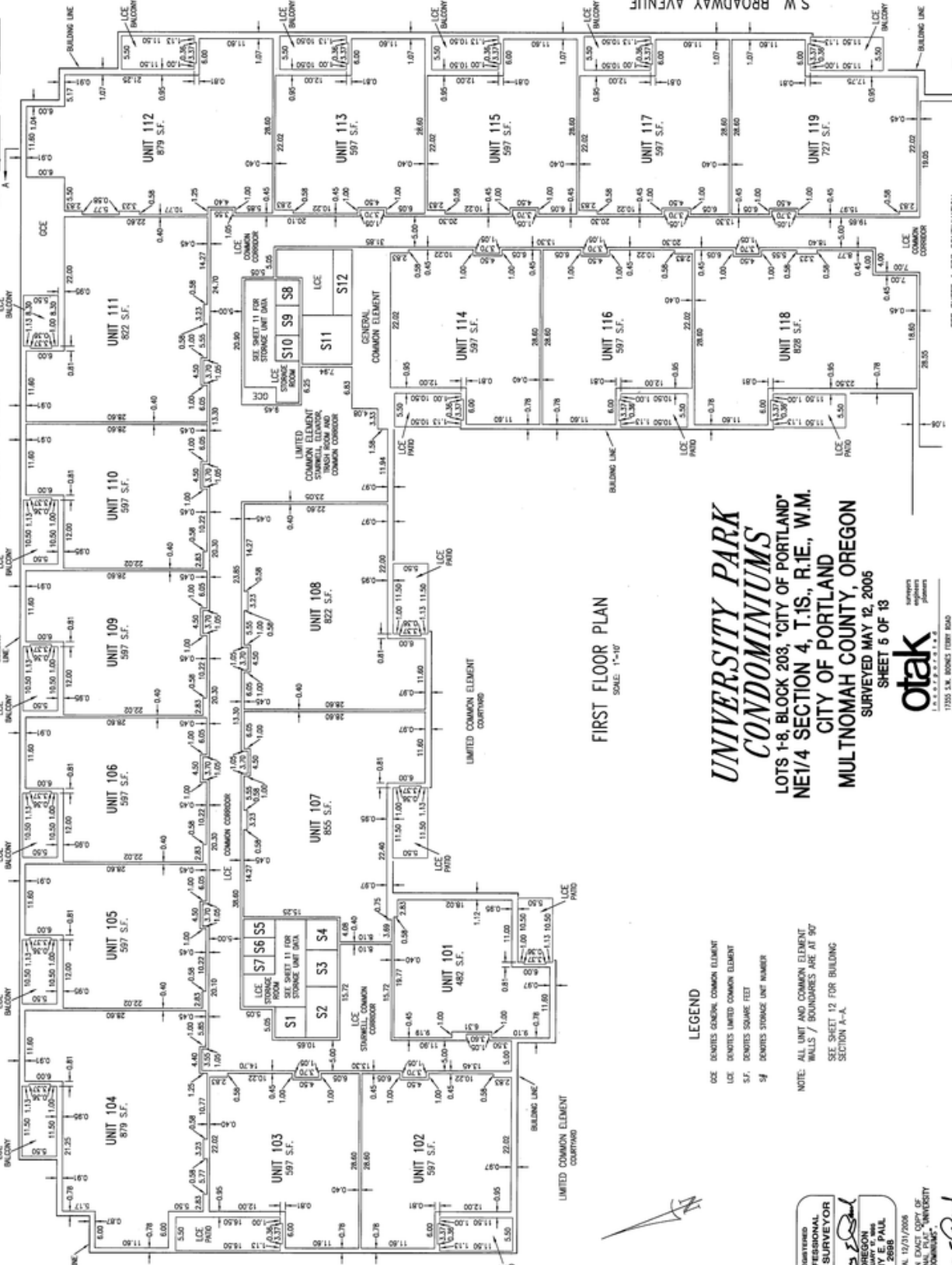
UNIT NO.	ELEVATION
P101-P103	128.38
P104-P112	128.32
P113	128.36
P114-P121	128.44

REGISTERED PROFESSIONAL LAND SURVEYOR
OTAK
JANUARY 17, 1988
GARY PAUL
2008
EXPIRES 12/31/2008
THIS IS AN EXACT COPY OF THE ORIGINAL PLAN "UNIVERSITY PARK CONDOMINIUMS".
P.L.S. NO. 2008

S.W. CLAY STREET

S.W. PARK AVENUE

S.W. BROADWAY AVENUE



FIRST FLOOR PLAN
SCALE: 1"=10'

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, 'CITY OF PORTLAND'
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND

MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 5 OF 13

otak
architects
planners

17025 S.W. BOWLING GREEN ROAD
PORTLAND, OREGON 97224
(503) 253-3434 FAX (503) 253-3435

LEGEND

- OCE DENOTES GENERAL COMMON ELEMENT
- LCE DENOTES LIMITED COMMON ELEMENT
- S.F. DENOTES SQUARE FEET
- S# DENOTES STORAGE UNIT NUMBER

NOTE: ALL UNIT AND COMMON ELEMENT WALLS / BOUNDARIES ARE AT 90°
SEE SHEET 12 FOR BUILDING SECTION A-A.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

James E. Paul
JAMES E. PAUL
#2888

EXPIRES 12/31/2008

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PARK CONDOMINIUMS'

James E. Paul
P.L.L.C. NO. 2888

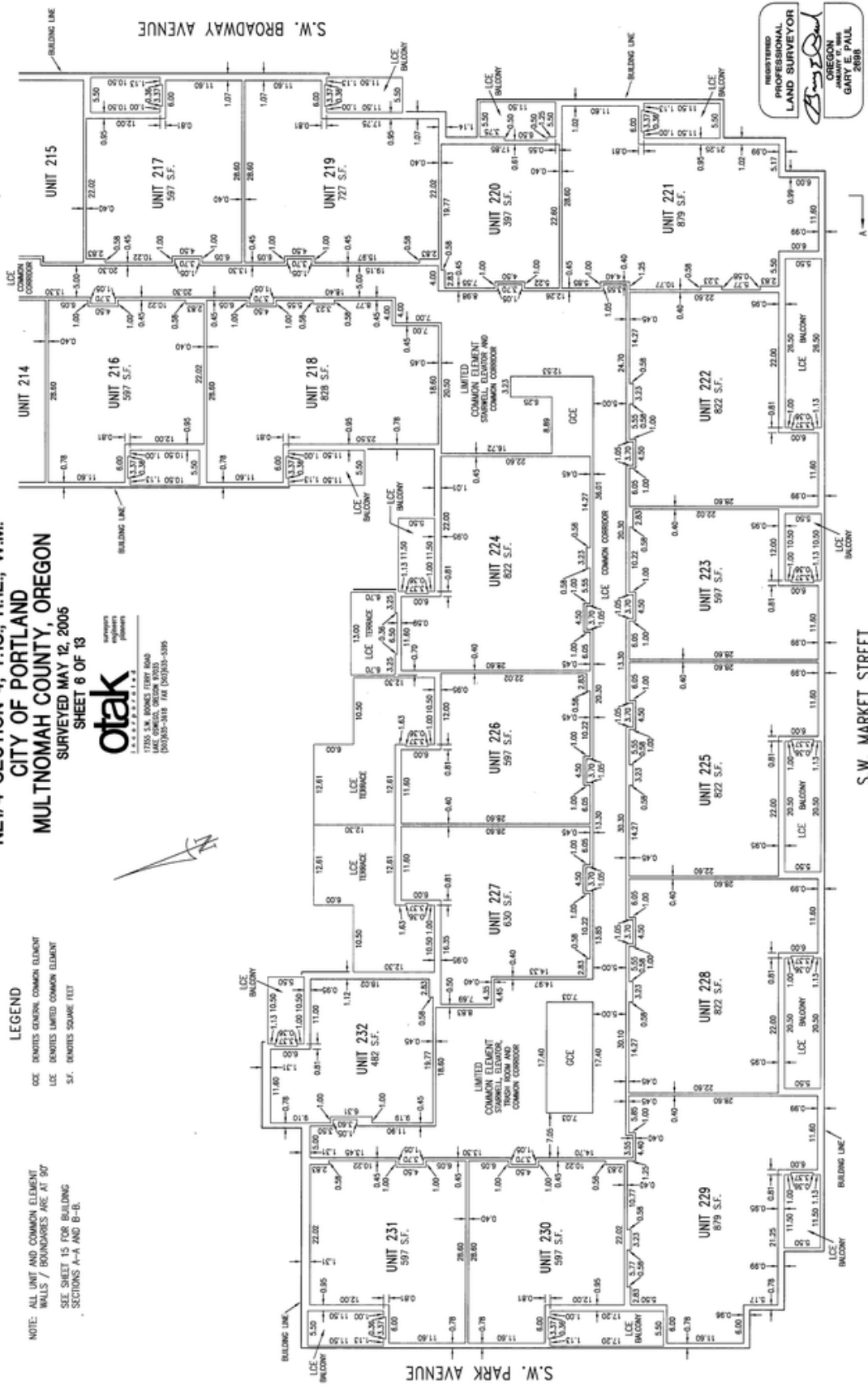
SEE SHEET 4 FOR CONTINUATION

**UNIVERSITY PARK
CONDOMINIUMS**
LOTS 1-8, BLOCK 203, CITY OF PORTLAND,
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 6 OF 13



LEGEND
GCE DENOTES COMMON ELEMENT
LCE DENOTES LIMITED COMMON ELEMENT
S.F. DENOTES SQUARE FEET

NOTE: ALL UNIT AND COMMON ELEMENT
WALLS & BOUNDARIES ARE AT 90°
SEE SHEET 15 FOR BUILDING
SECTIONS A-A AND B-B.



S.W. MARKET STREET
SECOND FLOOR PLAN
SCALE: 1"=10'

REGISTERED
PROFESSIONAL
LAND SURVEYOR
OREGON
JAMES T. PAUL
GAINED 2008
EXPIRES 12/31/2008
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THE ORIGINAL PLAT, UNIVERSITY
PARK CONDOMINIUMS.
J. Paul

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, "CITY OF PORTLAND"
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 7 OF 13

LEGEND

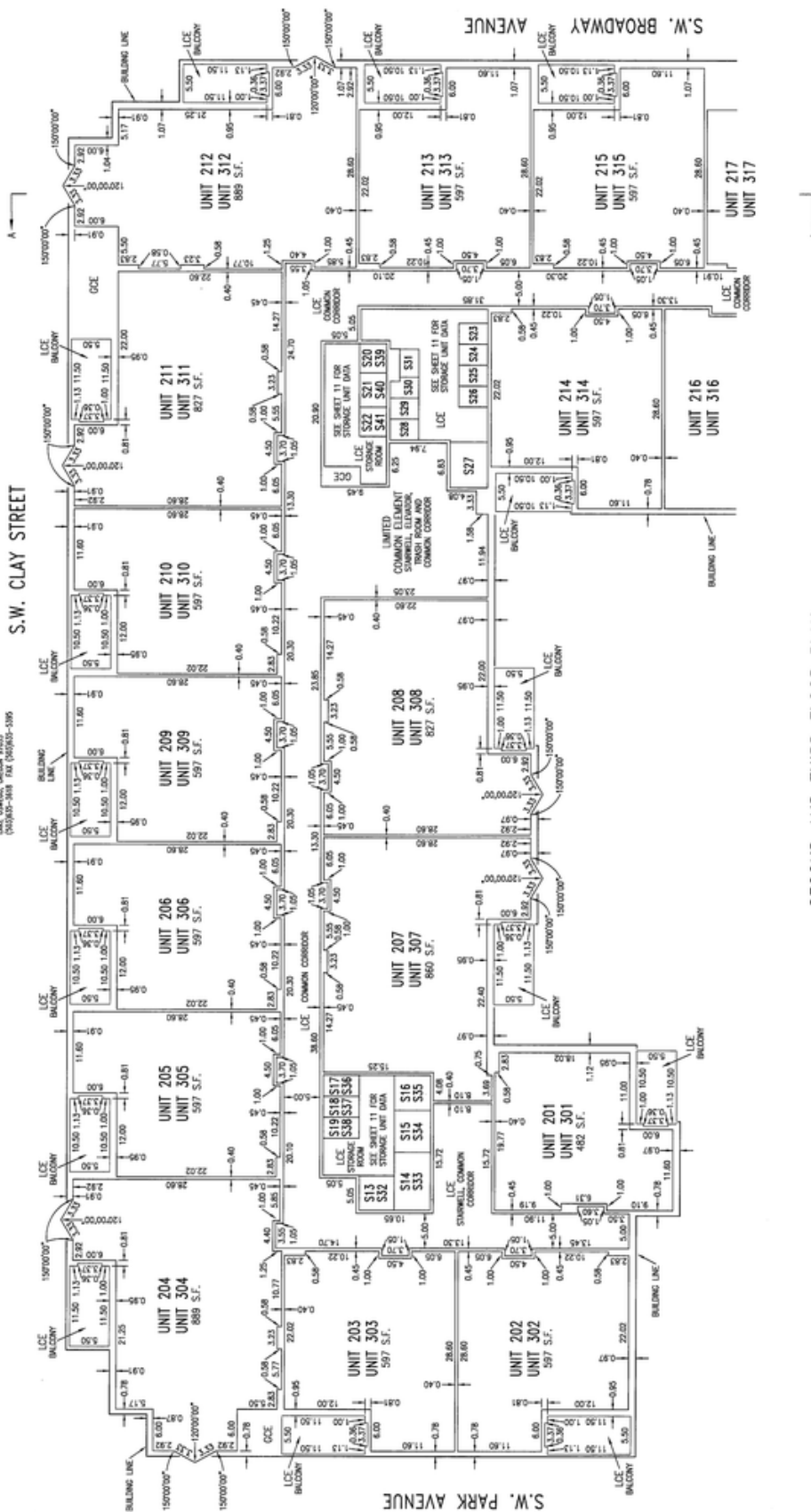
- DENOTES GENERAL COMMON ELEMENT
- DENOTES LIMITED COMMON ELEMENT
- S.F. DENOTES SQUARE FEET
- S# DENOTES STORAGE UNIT NUMBER

NOTE: ALL UNIT AND COMMON ELEMENT WALLS & BOUNDARIES ARE AT 90° UNLESS OTHERWISE NOTED.
SEE SHEET 12 FOR BUILDING SECTION A-A.

otak
1720 S.W. BOWEN STREET
LAKE OSWEGO, OREGON 97035
(503)845-3888 FAX (503)845-3395
REGISTERED PROFESSIONAL ENGINEERS
PLUMBERS

REGISTERED PROFESSIONAL LAND SURVEYOR
Oregon
JANUARY 12, 2005
GARY PAUL
PLC NO. 2088

RENEWAL 12/31/2005
THIS IS A REVISION OF THE ORIGINAL PLAT UNIVERSITY PARK CONDOMINIUMS.



SECOND AND THIRD FLOOR PLAN
SCALE: 1"=10'

UNIVERSITY PARK CONDOMINIUMS

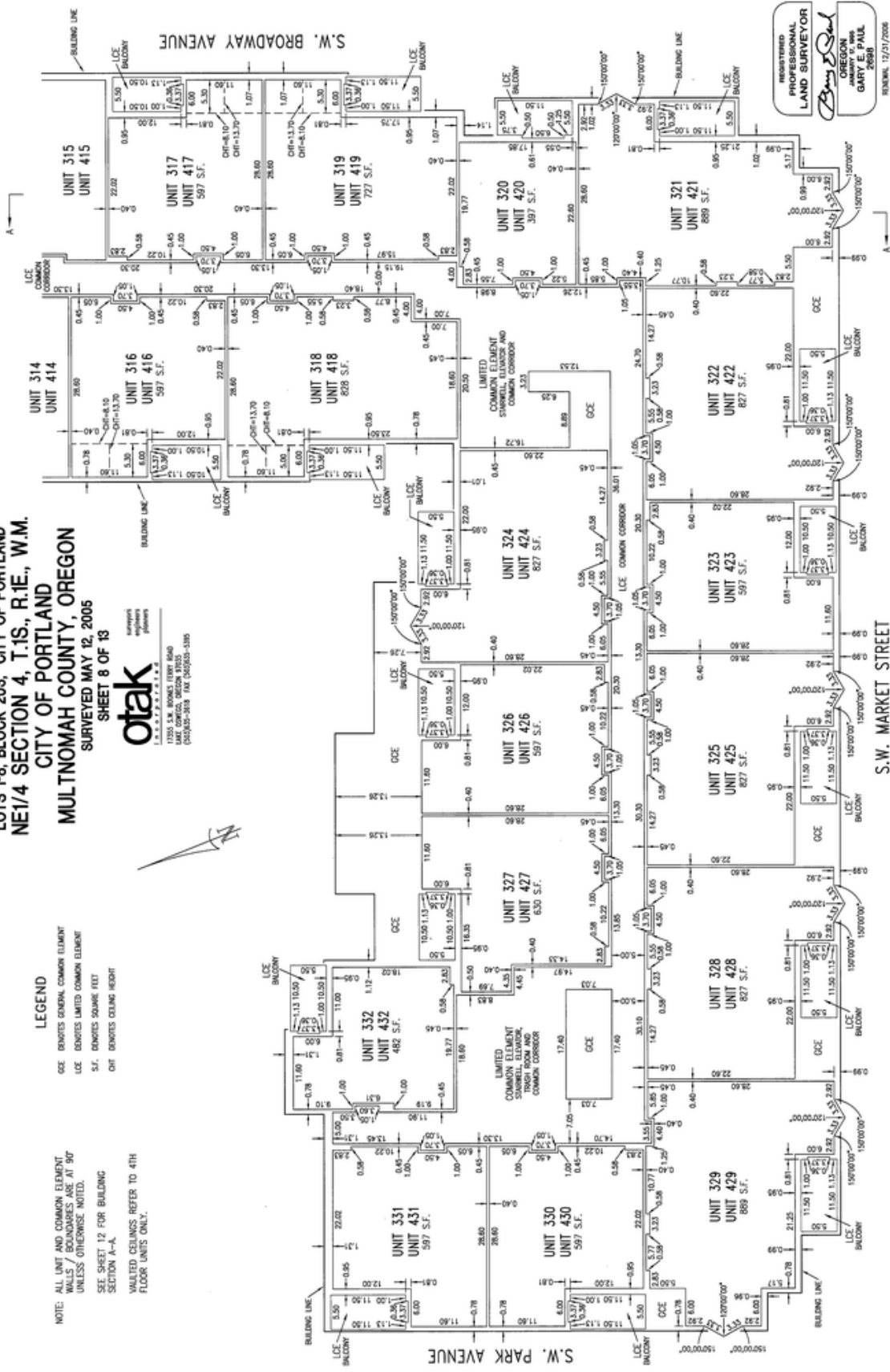
LOTS 1-8, BLOCK 203, CITY OF PORTLAND
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND, OREGON
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 8 OF 13



LEGEND

- GCE DENOTES GENERAL COMMON ELEMENT
- LCE DENOTES LIMITED COMMON ELEMENT
- S.F. DENOTES SQUARE FEET
- CHT DENOTES CEILING HEIGHT

NOTE: ALL UNIT AND COMMON ELEMENT WALLS / BOUNDARIES ARE AT 90° UNLESS OTHERWISE NOTED.
SEE SHEET 12 FOR BUILDING SECTION A-A.
VALUED CEILINGS REFER TO 4TH FLOOR UNITS ONLY.



REGISTERED
PROFESSIONAL
LAND SURVEYOR
OREGON
GARY E. PAUL
2008
REMARK: 12/31/2008
THIS IS AN EXACT COPY OF
THE ORIGINAL PLAT UNIVERSITY
PARK CONDOMINIUMS.
PLAT NO. 7998

S.W. MARKET STREET
THIRD AND FOURTH FLOOR PLAN
SCALE: 1"=10'

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, "CITY OF PORTLAND"
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 9 OF 13

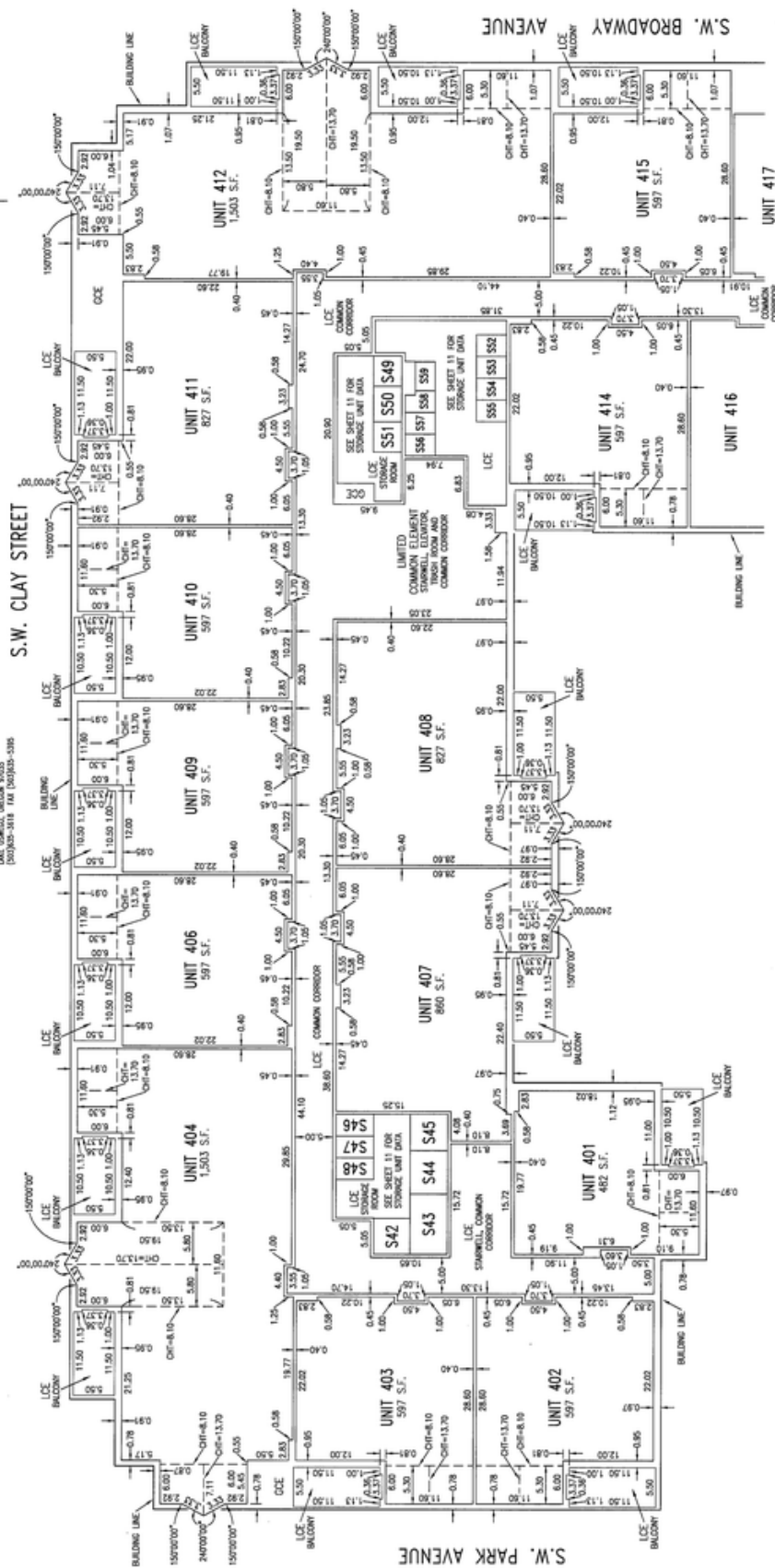
REGISTERED
PROFESSIONAL
LAND SURVEYOR
Gregory J. Paul
OREGON
JANUARY 9, 1988
GARY J. PAUL
2008
RENEWAL 12/31/2008
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THE ORIGINAL PLAT "UNIVERSITY
PARK CONDOMINIUMS".
Gregory J. Paul
P.L.S. NO. 2088

LEGEND

○ IDENTIFIES GENERAL COMMON ELEMENT
○ IDENTIFIES LIMITED COMMON ELEMENT
S.F. DENOTES SQUARE FEET
OHF IDENTIFIES CEILING HEIGHT
SF IDENTIFIES STORAGE UNIT NUMBER

NOTE: ALL UNIT AND COMMON ELEMENT
WALLS / BOUNDARIES ARE AT 90
UNLESS OTHERWISE NOTED.
SEE SHEET 12 FOR BUILDING
SECTION A-A.

otak
SURVEYORS
ENGINEERS
PLANNERS
1100 S.W. BROADWAY, SUITE 200
PORTLAND, OREGON 97203
(503) 555-3118 FAX (503) 555-3395



FOURTH FLOOR PLAN
SCALE: 1"=4'

**UNIVERSITY PARK
CONDOMINIUMS**
LOTS 1-8, BLOCK 203, CITY OF PORTLAND
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 10 OF 13

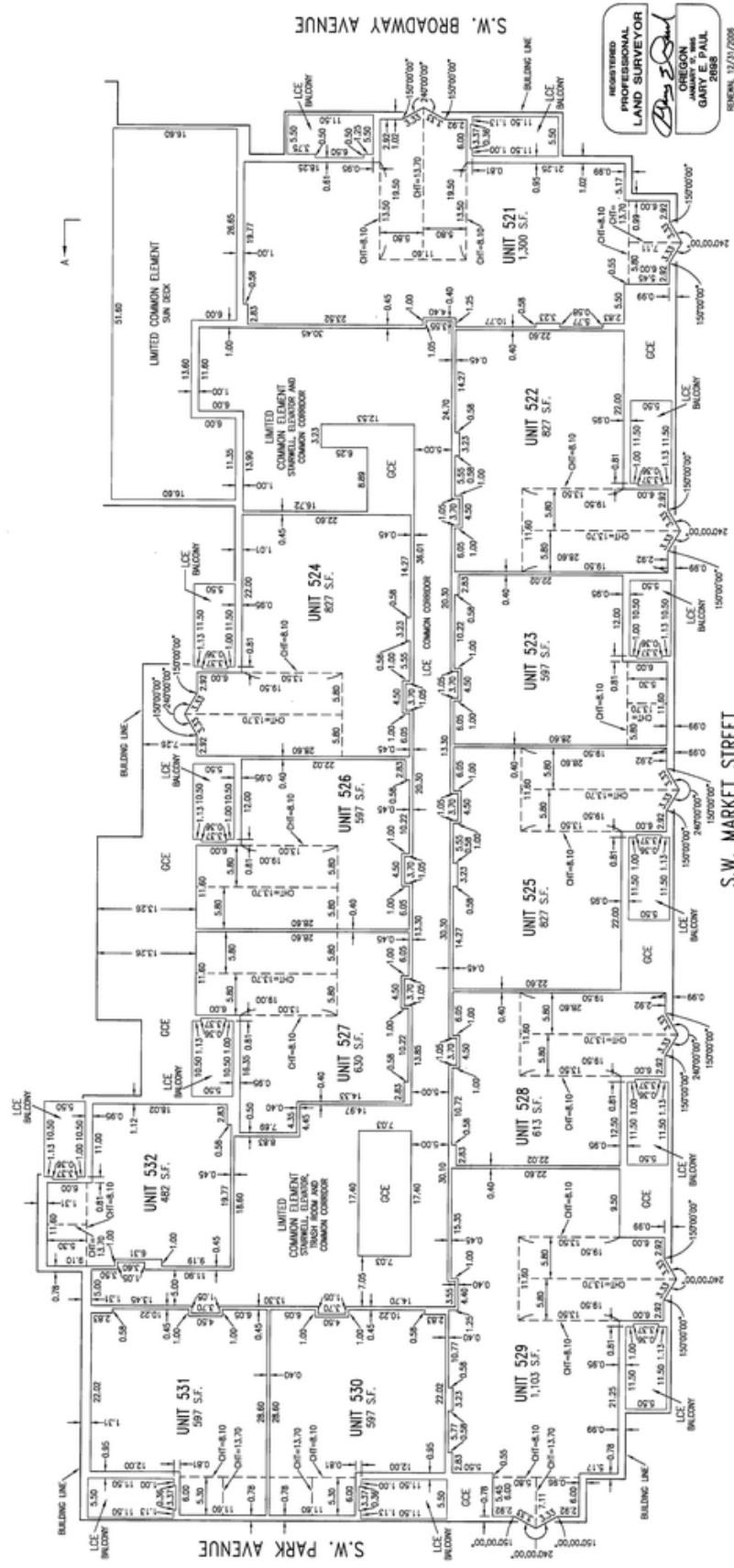
otak
surveyors
engineers
planners

12005 S.W. BROADWAY STREET
LAKE OSWEGO, OREGON 97035
(503)250-3818 FAX (503)250-3395

LEGEND

GCE DENOTES GENERAL COMMON ELEMENT
LCE DENOTES LIMITED COMMON ELEMENT
S.F. DENOTES SQUARE FEET
CHT DENOTES CEILING HEIGHT

NOTE: ALL UNIT AND COMMON ELEMENT
WALLS / BOUNDARIES ARE AT 50%
UNLESS OTHERWISE NOTED.
SEE SHEET 12 FOR BUILDING
SECTION A-A.



**S.W. MARKET STREET
FIFTH FLOOR PLAN**
SCALE: 1"=10'

REGISTERED
PROFESSIONAL
LAND SURVEYOR
Blay E. Paul
OREGON
JANUARY 15, 1988
GARDNER & PAUL
208B
RENEWAL 12/31/2008
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THE ORIGINAL PLAT UNIVERSITY
PARK CONDOMINIUMS.
Blay E. Paul
P.L.C. NO. 2088

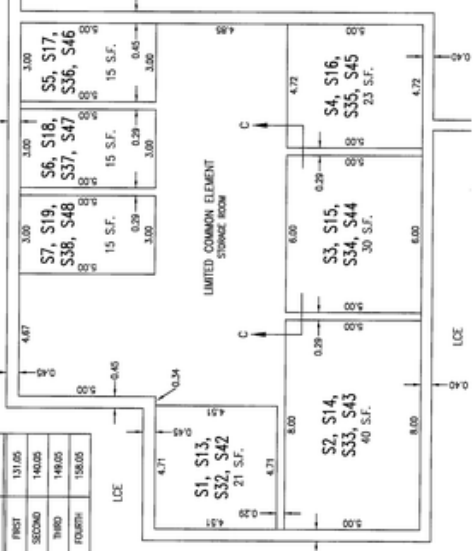
**UNIVERSITY PARK
CONDOMINIUMS**
LOTS 1-8, BLOCK 203, CITY OF PORTLAND
NE1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 11 OF 13



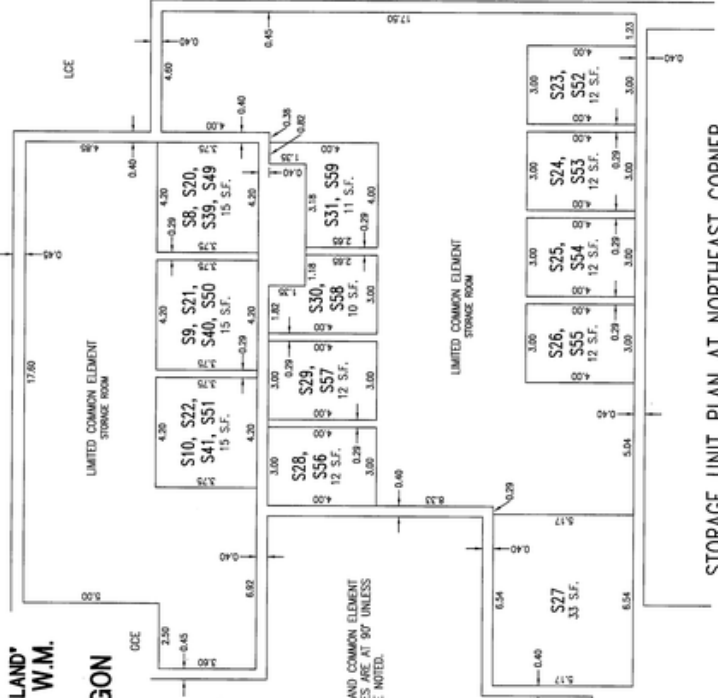
LEGEND
 PF DENOTES PARKING UNIT NUMBER
 SF DENOTES STORAGE UNIT NUMBER
 CCE DENOTES COMMON ELEMENT
 LCE DENOTES LIMITED COMMON ELEMENT
 NOTE: ALL UNIT AND COMMON ELEMENT BOUNDARIES ARE AT 90° UNLESS OTHERWISE NOTED.

STORAGE UNIT ELEVATIONS

UNIT NO.	FLOOR	ELEVATION
S1-S7	FIRST	131.00
S18-S19	SECOND	140.00
S30-S38	THIRD	149.00
S40-S48	FOURTH	158.00



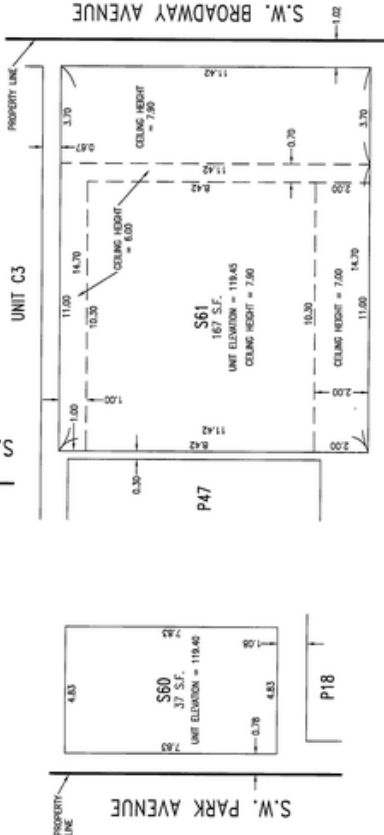
STORAGE UNIT PLAN AT NORTHWEST CORNER
SCALE: 1"=3'



STORAGE UNIT PLAN AT NORTHEAST CORNER
SCALE: 1"=3'



STORAGE UNIT SECTION C-C
NOT TO SCALE



STORAGE UNIT PLANS AT GARAGE LEVEL
SCALE: 1"=3'

STORAGE UNIT ELEVATIONS

UNIT NO.	FLOOR	ELEVATION
S8-S12	FIRST	131.00
S20-S23	SECOND	140.00
S29-S31	THIRD	149.00
S35-S38	FOURTH	158.00

REGISTERED PROFESSIONAL LAND SURVEYOR
 OREGON
 JAMES E. PAUL
 2005
 EXPIRES 12/31/2008
 THE ORIGINAL PLAT UNIVERSITY PARK CONDOMINIUMS
 P.L.S. NO. 2008

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, CITY OF PORTLAND,
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005

NOTE: LIVING FLOOR ELEVATIONS SHOWN ARE TYPICAL FOR ALL FIRST FLOOR THROUGH FIFTH FLOOR LIVING UNITS.
BASIS OF ELEVATIONS - CITY OF PORTLAND BOUCH 2004, A 2-1/2" BRASS DISC IN THE TOP OF CURB AT THE NORTHWEST CORNER RETURN OF S.W. 10TH AVENUE AND S.W. SALMON STREET.
ELEVATION = 101.780', CITY OF PORTLAND DATUM.

otak
INCORPORATED
1100 S.W. BOONVILLE AVENUE
TUMACACI, OREGON 97146
TEL: 503-255-3333 FAX: 503-255-3395

LEGEND
GCE DENOTES GENERAL COMMON ELEMENT
LCE DENOTES LIMITED COMMON ELEMENT
CF DENOTES COMMON UNIT NUMBER



BUILDING SECTION A-A
NOT TO SCALE

REGISTERED
PROFESSIONAL
LAND SURVEYOR
Gary E. Paul
OREGON
JANUARY 6, 1988
GARY E. PAUL
28588
FEDERAL 10/21/2008
THIS IS THE ORIGINAL COPY OF
THE ORIGINAL PLAT FOR UNIVERSITY
PARK CONDOMINIUMS.
Gary E. Paul
P.L.S. NO. 2908

UNIVERSITY PARK CONDOMINIUMS

LOTS 1-8, BLOCK 203, 'CITY OF PORTLAND'
NE 1/4 SECTION 4, T.1S., R.1E., W.M.
CITY OF PORTLAND
MULTNOMAH COUNTY, OREGON
SURVEYED MAY 12, 2005
SHEET 13 OF 13

DECLARATION

KNOWN ALL PERSONS BY THESE PRESENTS, THAT UNIVERSITY PARK PROPERTY, LLC, A DELAWARE LIMITED LIABILITY COMPANY, DOES HEREBY MAKE, ESTABLISH AND DECLARE THE ANNEXED MAP OF "UNIVERSITY PARK CONDOMINIUMS", AS DESCRIBED IN THE ACCOMPANYING MAP, TO BE THE TRUE AND CORRECT MAP OF THE CONDOMINIUMS TO BE CREATED BY THEM AND Laid OUT AS TO CONDOMINIUMS, AND THEY DO HEREBY COMPLY SAID LAND TO THE OREGON CONDOMINIUM ACT AS Laid OUT IN CHAPTER 100 OF THE OREGON REVISED STATUTES. THE PROPERTY AND IMPROVEMENTS DESCRIBED AND DEPICTED ON THIS PLAT ARE SUBJECT TO THE PROVISIONS OF ORS 100.025 TO 100.025.

UNIVERSITY PARK PROPERTY, LLC,
A DELAWARE LIMITED LIABILITY COMPANY
BY: HARRIS PARK, INC., A DELAWARE CORPORATION,
MEMBER

BY: 
ERIC BELL
AUTHORIZED AGENT

ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF Multnomah
THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON August 16, 2005,
BY HARRIS PARK, INC., A DELAWARE CORPORATION,
MEMBER OF UNIVERSITY PARK PROPERTY, LLC, A DELAWARE LIMITED LIABILITY COMPANY.


NOTARY SIGNATURE
JAMES C.H. RISTMAS
NOTARY PUBLIC - OREGON
COMMISSION NUMBER 374327
MY COMMISSION EXPIRES November 28, 2007

otak
INCORPORATED
17350 S.W. BROWNES LANE ROAD
PORTLAND, OREGON 97224
(503) 252-3024 FAX (503) 252-3335

NOTES AND RESTRICTIONS

1. SEE NARRATIVE FOR BAGS OF BEARINGS AND BOUNDARY DETERMINATIONAL.
2. BALCONIES, TERRACES AND PATIOS ARE LIMITED COMMON ELEMENTS TO THE ATTACHED UNIT.
3. SUBJECT TO THE DECLARATION SUBMITTING "UNIVERSITY PARK CONDOMINIUMS" TO MULTNOMAH COUNTY RECORDS IN DOCUMENT NO. 2005-107386
4. BAGS OF ELEVATIONS - CITY OF PORTLAND BRUSH 2841, A 2-1/2" BRASS DISC IN THE TOP OF CURB AT THE NORTHEASTERN CORNER RETURN OF S.W. 10TH AVENUE AND S.W. SALMON STREET.
ELEVATION = 101.792', CITY OF PORTLAND DATUM.

APPROVALS

APPROVED THIS 1st DAY OF September, 2005
COUNTY SURVEYOR, MULTNOMAH COUNTY, OREGON
BY: Robert A. Henshaw

ALL TAXES, FEES, ASSESSMENTS OR OTHER CHARGES OR FINES, PENALTIES, OR
BY O.S.S. 100.110 HAVE BEEN PAID AS OF Sept 1 2005
DIRECTOR OF ASSESSMENTS AND TAXATION, MULTNOMAH COUNTY, OREGON
BY: Debra J. Patten
DEPUTY

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
GARY E. PAUL
2889
EXPIRES 12/31/2008
THIS IS AN EXACT COPY OF
THE ORIGINAL PLAT, "UNIVERSITY
PARK CONDOMINIUMS"

P.L.S. NO. 2005

STATE OF OREGON }
COUNTY OF MULTNOMAH } S.S.
I, DO HEREBY CERTIFY THAT THE ATTACHED CONDOMINIUM PLAT WAS RECEIVED FOR
RECORD AND RECORDED SEPT. 27-30 2005 AT 12:51 O'CLOCK P.M.
IN BOOK 121D ON PAGES 27-39
MULTNOMAH COUNTY RECORDING OFFICE
BY: A. M. M. M. M.
DEPUTY
DOCUMENT NO. 2005-107384

AFTER RECORDING, RETURN TO:

Ball Janik LLP
101 SW Main Street
Suite 1100
Portland, OR 97204
Attn: Rebecca Biermann Tom

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk
E41 6 ATKLM
Total : 46.00
2005-216797 11/08/2005 09:48:59am

**FIRST AMENDMENT TO DECLARATION OF
CONDOMINIUM OWNERSHIP FOR UNIVERSITY PARK CONDOMINIUMS**

This First Amendment to Declaration of Condominium Ownership for University Park Condominiums (this "Amendment") is made effective as of the 26th day of September, 2005, by University Park Property LLC, a Delaware limited liability company ("Declarant").

Recitals:

A. This Amendment is made pursuant to ORS 100.115, 100.135 and Section 25 of that certain Declaration of University Park Condominiums, dated August 16, 2005, recorded in the Official Records of Multnomah County, Oregon on September 1, 2005 under Document No. 2005-167385 (the "Declaration"). The Plat of University Park Condominiums was recorded on September 1, 2005 in the Official Records of Multnomah County, Oregon on September 1, 2005 as Document No. 2005-167384 (the "Plat"). Capitalized terms used herein without definitions shall have the respective meanings given them in the Declaration.

B. Declarant, in the capacity of Owner of all Units of University Park Condominiums, desires to amend the Declaration to convert the storage area located on the ground floor of the Condominium, as shown on the plat amendment being recorded in the Official Records of Multnomah County, Oregon concurrently herewith (the "Plat Amendment"), from a General Common Element to a Limited Common Element, the use of which is reserved for the Owner of Retail Unit C1.

C. Declarant, in the capacity of Owner of all Units of University Park Condominiums, desires to further amend the Declaration to reflect the correct number of Parking Units in the Condominium, as shown on the Plat and as listed in Exhibit B to the Declaration and to make a correction to the copy of the Bylaws attached as Exhibit D to the Declaration.

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Conversion of General Common Elements. The storage area located on the ground floor of the Condominium, as shown on the Plat Amendment, (the "Storage Area") is hereby converted from a General Common Element to a Limited Common Element, the use of which is reserved for the Owner of Retail Unit C1.

2. Correction of Number of Parking Units. The Declaration is hereby amended to reflect that the Condominium contains 121 Parking Units as shown on the Plat and not 120 Units as indicated in the Declaration.

(a) All references in the Declaration to 120 Parking Units are hereby deleted and replaced with 121 Parking Units, including the reference in the second paragraph on the first page of the Declaration and the reference in Section 4.2 of the Declaration.

(b) The fifth to last sentence in Section 4.2 of the Declaration is hereby deleted in its entirety and replaced with the following: "The Parking Units are designated as P1 through P121 and are located on the ground and basement levels."

(c) Section 21 of the Declaration is amended so that the reference to 311 Units is replaced with a reference to 312 Units. The 312 Units referenced in Section 21 are composed of 129 Primary Units, 121 Parking Units and 62 Storage Units.

3. Exhibit D Correction. Page 24 of the Bylaws was inadvertently omitted from the copy of the Bylaws attached as Exhibit D to the Declaration. Exhibit D to the Declaration is hereby amended to include Page 24 of the Bylaws, a copy of which is attached to this Amendment as Exhibit A.

4. Approval. Declarant, as Owner of all the Units of University Park Condominiums, has approved this Amendment.

5. Plat Amendment. The Plat Amendment showing the location of the Storage Area and its designation as a Limited Common Element is hereby authorized and is being recorded concurrently herewith pursuant to ORS 100.115.

6. Effect of Amendment. Except as expressly amended hereby, the Declaration remains unamended and in full force and effect.

*(Remainder of Page Intentionally Left Blank;
Signatures on Following Page)*

IN WITNESS WHEREOF, this Amendment is executed to be effective as of the date first set forth above.

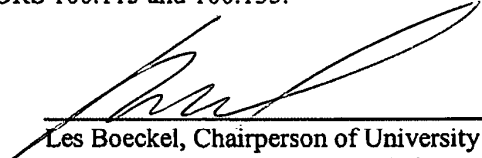
UNIVERSITY PARK PROPERTY LLC., a
Delaware limited liability company

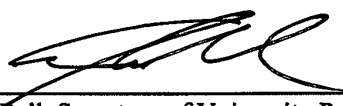
By: Harding Park, Inc., a Delaware corporation
Its: Sole Member

By: 
Eric Bell, Vice President

CERTIFICATE OF ASSOCIATION

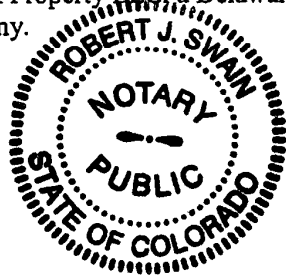
The Chairperson and Secretary of University Park Condominiums Owners' Association hereby certify that the foregoing Amendment to Declaration of Condominium Ownership for University Park Condominiums has been approved by Declarant as Owner of all Units in accordance with Section 25 of the Declaration and ORS 100.115 and 100.135, and may be executed and recorded as set forth in ORS 100.115 and 100.135.



Les Boeckel, Chairperson of University Park
Condominiums Owners' Association


Eric Bell, Secretary of University Park
Condominiums Owners' Association

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on SEPTEMBER 20TH, 2005, by Eric Bell, as Vice President of Harding Park, Inc., a Delaware corporation and the sole member of University Park Property LLC, a Delaware limited liability company, on behalf of said limited liability company.

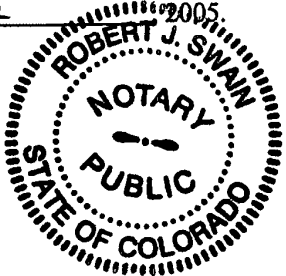





Notary Public, State of COLORADO
Printed Name: ROBERT J. SWAIN
My Commission Expires: 2/25/09

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me by Les Boeckel, the Chairperson of University Park Condominium Owners' Association, an Oregon non-profit corporation, on behalf of and as the act and deed of said non-profit corporation, on this the 20TH day of SEPTEMBER, 2005.

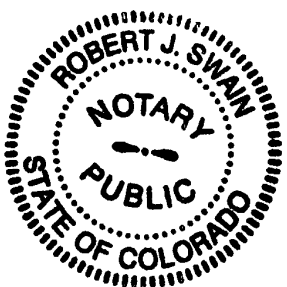





Notary Public, State of COLORADO
Printed Name: ROBERT J. SWAIN
My Commission Expires: 2/25/09

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me by Eric Bell, the Secretary of University Park Condominium Owners' Association, an Oregon non-profit corporation, on behalf of and as the act and deed of said non-profit corporation, on this the 20TH day of SEPTEMBER, 2005.

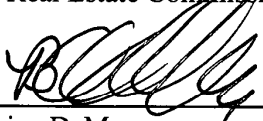





Notary Public, State of COLORADO
Printed Name: ROBERT J. SWAIN
My Commission Expires: 2/25/09

October The foregoing amendment is approved pursuant to ORS 100.135 this 21st day of October, 2005, and in accordance with ORS 100.110(7), this approval shall automatically expire if this Amendment is not recorded within two (2) years from this date.

SCOTT W. TAYLOR
Oregon Real Estate Commissioner

By: 
Brian DeMarco

By:  11-7-05
County Assessor

By:  11/7/2005
County Tax Collector

EXHIBIT A
(Page 24 of Bylaws)

premium to the Association, upon demand, and if not so paid, such amount shall bear interest after the date of such demand at the rate provided in Section 7.3 of the Declaration.

7.11 Contested Legal Requirements. An Owner need not comply with any Legal Requirement so long as the Owner is contesting the validity or applicability thereof as provided in Section 7.10, provided that noncompliance shall not create a dangerous condition or constitute a crime or an offense punishable by fine or imprisonment, and that no part of the Condominium shall be subject to being condemned or vacated by reason of noncompliance or otherwise by reason of such contest. The Board of Directors may also contest any Legal Requirement without being subject to the conditions described in Section 7.10 as to the contest and may also defer compliance with any Legal Requirement, subject to the conditions contained in this Section 7.10 as to deferral of compliance by an Owner, and the costs and expenses of any contest by the Board of Directors shall be a common expense.

7.12 Improper Discharge. No Owner or occupant shall discharge, or permit to be discharged, anything into water lines, vents or flues of the Condominium that may violate applicable laws or regulations or might reasonably be anticipated to cause damage thereto or reduce the life expectancy thereof (excepting normal wear and tear), spread odors or otherwise be harmful or offensive.

7.13 Limitation on Storage, Deck and Common Areas. Other than items placed by the Declarant or the Association, no furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Parking Units or Common Elements, except as allowed in Section 7. No doormats or decorations of any kind may be placed on or near the entry doors of the Primary Units. The lobbies, vestibules, public halls, and stairs shall be used only for normal passage. In addition, no storage of any kind shall be permitted on the balconies or patios located adjacent to the Residential Units, except for the following specific items: well-maintained patio furniture, plants with drip containers, so long as these do not protrude from the patio or balcony or overhang the patio or balcony railing, and propane gas barbecue grills. Charcoal barbecue grills are not permitted on any balcony or patio. In addition, no items of any kind may be hung from the patio or balcony walls or railings without the prior approval in writing of the Board of Directors. Owners and occupants shall promptly clean up debris and water on their patio or balcony. Pets may not be left unattended on any patio, balcony or deck. Pets are not allowed to relieve themselves on the balconies or patios located adjacent to the Residential Units, on the sun deck located on the fifth floor, in any of the storage rooms or in any other portion of the Common Elements. Smoking is not allowed on the balconies or patios located adjacent to the Residential Units, on the sun deck on the fifth floor, in any of the storage rooms or in any other portion of the Common Elements. The provisions hereof shall not apply to the Declarant until such time as all Primary Units have been initially sold and conveyed by the Declarant; however, the Declarant shall not use the Common Elements in such a manner as will unreasonably interfere with the use of the Residential Units for dwelling purposes. Use of the storage rooms, balconies, patios, decks and all other Common Elements shall also be subject to the Rules and Regulations adopted by the Board of Directors from time to time as provided in Section 7.28.

7.14 Vehicle Parking Restrictions. Parking Units are restricted to use for parking of operative motor vehicles; other items and equipment may be parked or kept therein only subject to the Rules and Regulations. The Board shall require removal of any inoperative vehicle, or any

After Recording Return To:
Rebecca Biermann Tom
Ball Janik LLP
101 SW Main Street, Suite 1100
Portland, Oregon 97204-3219

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk ATKLM
E41 95
Total : 491.00
2005-167385 09/01/2005 12:31:42pm

**DECLARATION OF CONDOMINIUM OWNERSHIP FOR
UNIVERSITY PARK CONDOMINIUMS**

Dated: August 16, 2005

Declarant: University Park Property LLC

95

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Exhibits to Declaration

- Exhibit A - Property Description
- Exhibit B - Allocation of Interest in Common Elements
- Exhibit C-1 - Listing of Retail, Residential, Parking, Storage Unit and Fireplace Expenses
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- Exhibit C-3 - Allocation of Residential Expenses
- Exhibit C-4 - Allocation of Fireplace Expenses
- Exhibit D - Bylaws of University Park Condominiums Owners' Association

**DECLARATION OF CONDOMINIUM OWNERSHIP FOR
UNIVERSITY PARK CONDOMINIUMS
MADE PURSUANT TO THE OREGON CONDOMINIUM ACT**

This Declaration, to be effective upon its recording in Multnomah County, Oregon, pursuant to the provisions of the Oregon Condominium Act, is made and executed this 16th day of August, 2005 by University Park Property LLC, a Delaware limited liability company (“Declarant”).

Declarant proposes to create a condominium located in the City of Portland, Multnomah County, Oregon, to be known as University Park Condominiums, composed of 129 Primary Units, 120 Parking Units, and 62 Storage Units located in one U-shaped building. The south wing of the building consists of five (5) floors above grade and a one-level basement garage. The north wing of the building consists of four (4) stories above grade and a one-level basement garage. The purpose of this Declaration is to submit the Property (as defined below) to the condominium form of ownership and use in the manner provided by the Oregon Condominium Act.

1. Definitions and Interpretation.

1.1 Definitions. As used in this Declaration, the Articles of Incorporation of the University Park Condominiums Owners’ Association, its Bylaws, its Rules and Regulations, and any exhibits thereto, unless the context shall otherwise require, the following definitions shall be applied:

1.1.1 Act shall mean the Oregon Condominium Act, currently ORS 100.005 to 100.990, as amended from time to time.

1.1.2 Association shall mean the nonprofit corporate entity responsible for the administration, management and operation of the Condominium.

1.1.3 Association Property shall mean any real property or interest in real property acquired, held, or possessed by the Association pursuant to ORS 100.405.

1.1.4 Board shall mean the Board of Directors of the Association.

1.1.5 Bylaws shall mean the Bylaws of the Association, as amended from time to time.

1.1.6 Common Elements shall mean all those portions of the Condominium exclusive of the Units.

1.1.7 Condominium shall mean the Property that is hereby submitted to condominium ownership and all improvements thereon and all easements and rights appurtenant thereto.

1.1.8 Declaration shall mean this Declaration of Condominium Ownership for University Park Condominiums and any amendments thereto.

1.1.9 Eligible Mortgage Insurer or Guarantor shall mean an insurer or governmental guarantor of a first mortgage on a Unit who has requested notice of certain matters from the Association in accordance with Section 17 below.

1.1.10 Eligible Mortgagee shall mean a holder of a first mortgage on a Unit who has requested notice of certain matters from the Association in accordance with Section 16 below, but shall not include a contract vendor.

1.1.11 General Common Elements shall mean those Common Elements designated in Section 5.

1.1.12 Legal Requirements shall mean any and all laws, orders, rules, and regulations of any governmental entity.

1.1.13 Limited Common Elements shall mean those Common Elements designated in Section 6.

1.1.14 Mortgage shall include a deed of trust and a contract for the sale of real estate.

1.1.15 Mortgagee shall include a deed of trust beneficiary and a vendor under a contract for the sale of real estate.

1.1.16 Owner shall mean the owner or owners of a Primary Unit and, in addition to a Primary Unit, any Parking or Storage Unit, but shall not include a Mortgagee unless in possession of a Primary Unit and, in addition to a Primary Unit, any Parking or Storage Unit. A person or entity who does not own a Primary Unit shall not be an Owner.

1.1.17 Parking Unit shall mean that part of the Condominium designated as such in Section 4 and comprised of the space enclosed by its boundaries as described in Section 4.

1.1.18 Plans shall mean the plat for the Condominium which is being recorded in the deed records of Multnomah County, Oregon, concurrently with this Declaration and any revisions of such plat subsequently recorded.

1.1.19 Primary Unit shall mean the part of the Condominium designated as either a Residential Unit or a Retail Unit. The Retail Unit and Residential Units are referred to collectively herein as the "Primary Units."

1.1.20 Property shall mean the property submitted to the provisions of the Act, as described more particularly in Section 2.

1.1.21 Rules and Regulations shall mean those rules and regulations governing the use and enjoyment of the Condominium, as adopted by the Board pursuant to the Bylaws.

1.1.22 Storage Unit shall mean the part of the Condominium designated as such in Section 4 and comprised of the space enclosed by its boundaries as described in Section 4.

1.1.23 Turnover Meeting shall mean the meeting at which Declarant relinquishes control of the administration of the Association pursuant to Section 100.210 of the Act.

1.1.24 Units shall mean those parts of the Condominium designated in Section 4 as Primary, Parking or Storage Units and comprised of the spaces enclosed by each of their respective boundaries as described in Section 4; Unit shall mean any one of the Units.

1.2 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Condominium under the provisions of Oregon law. The terms used herein are intended to have the same meaning as may be given in the Act to such terms unless the context clearly requires otherwise or definition in this manner would have an unlawful consequence.

1.3 Mortgagee Approval. For purposes of determining the percentage of first Mortgagees approving a proposed decision or course of action in cases where a Mortgagee holds first Mortgages on more than one Primary Unit, such Mortgagee shall be deemed a separate Mortgagee as to each such Primary Unit.

1.4 No Fiduciary Standard. In no event shall Declarant be deemed to be a fiduciary of the Owners or be held to a fiduciary standard with respect to activities hereunder. The foregoing language does not apply to fiduciary responsibilities officers or directors of the Association appointed may otherwise have.

1.5 Original Owner of Units. Declarant is the original Owner of all Units and will continue to be deemed the Owner of each Unit until conveyances or other documents changing the ownership of specifically described Units are filed of record.

1.6 Captions and Exhibits. The captions given herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various exhibits referred to herein and attached hereto shall be deemed incorporated herein by reference as though fully set forth where such reference is made.

1.7 Miscellaneous. All terms and words used in this Declaration, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require. "And/or" when applied to two or more matters or things shall be construed to apply to any one or more or all thereof, as the circumstances then warrant. "Herein," "hereof," "hereunder," and words of similar import shall be construed to refer to this Declaration as a whole, and not to any particular section, unless expressly stated otherwise.

2. Property Submitted. The Property hereby submitted to the provisions of the Act is the land owned in fee simple by Declarant and described on the attached Exhibit A, together with

all easements, rights, and appurtenances belonging thereto and all improvements now existing or hereafter constructed on such land.

3. Name. The name by which the Property is to be identified is "University Park Condominiums."

4. Units.

4.1 General Description of Buildings. The Condominium shall consist of one U-shape building of timber and light gauge metal construction with brick veneer. The south wing of the building consists of five (5) floors above grade and a one-level basement garage. The north wing consists of four (4) floors above grade and a one-level basement garage.

4.2 General Description, Location, and Designation of Units. The Condominium consists of a total of 129 Primary Units, 120 Parking Units, and 62 Storage Units located on a sloping site as shown on the Plans. The Primary Units will be designated for residential or retail use in accordance with Section 9 below. The Primary Units to be designated in Section 9 for retail use are located on the ground floor of the building (each, a "Retail Unit"). The Retail Units are designated as Units C1 through C4, as shown on the Plans. The Primary Units designated for residential use are located on the first through fifth floors of the building (the "Residential Units"). The Parking Units are designated as P1 through P120 and are located on the ground and basement levels. The Storage Units are located on the first through fourth floors above grade. The Residential Units are designated as Units 101 through 119, inclusive, Units 201 through 232, inclusive, Units 301 through 332, inclusive, Units 401 through 432, inclusive, and Units 521 through 532, inclusive, as shown on the Plans. The Storage Units shall be designated as S1 through S-62, inclusive, as shown on the Plans. The designation and area in square feet of each Unit are set forth on the attached Exhibit B and as shown on the Plans.

4.3 Boundaries of Units.

4.3.1 Primary Units. Each Primary Unit shall be bounded by the interior surfaces of its perimeter and demising stud walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and shall include both the interior surfaces so described (including the unexposed face of the sheetrock or similar material and the underside of the finished floor) and the air space so encompassed and shall exclude those portions of the walls, floors or ceilings that materially contribute to the structural shear capacity of the Condominium. In addition, Residential Units with a fireplace shall include the fireplace box within such Residential Unit's boundaries as described above, but shall exclude the vertical chase for serving such fireplace. In addition, each Primary Unit shall include the outlet of any utility service lines, including water, sewer, electricity, or cable television, but shall not include any part of such lines themselves and shall also include the heating, ventilation and air conditioning unit and all related duct work, components and other equipment (collectively, the "HVAC Equipment") exclusively serving each Primary Unit, regardless of where located.

4.3.2 Parking Units. Each Unit identified on the Plans as a parking unit (a "Parking Unit") shall consist of the paved floors and ceilings of the Parking Unit and a vertical plane at the boundary shown on the Plans. Regardless of the actual location of the painted

striping for Parking Units, the boundaries of the Parking Units shall be as set forth herein and on the Plans.

4.3.3 Storage Units. Each Unit identified on the Plans as a storage unit (a "Storage Unit") shall be bounded by (i) the interior surfaces of its doorway or face panel, including any fixtures thereon or attached thereto, such as knobs, handles, and hinges and (ii) the interior surfaces of the side and back walls (or side and back panels), floor (or bottom panel), and ceiling (or top panel) of each Storage Unit, and shall include the air space so encompassed.

5. Owner's Interest in Common Elements; General Common Elements. Each Owner shall be entitled to an undivided percentage ownership interest in the Common Elements, as shown on the Plans and the table attached as Exhibit B. The method used to establish this allocation consists of (i) an allocation of an 0.01 percent undivided interest to each of the Parking Units and Storage Units, and (ii) an allocation of the remaining undivided interests to the Primary Units determined by the ratio which the area of each Primary Unit bears to the total area of all Primary Units combined, as shown on the Plans. The general location of the Common Elements is shown on the Plans. The General Common Elements shall consist of all parts of the Condominium other than the Units and the Limited Common Elements and include, without limitation, the following:

5.1 All floor and ceiling slabs; foundations; exterior windows and window frames, exterior doors; meter rooms; boiler rooms; elevator shaft room; janitor's room; maintenance rooms, electrical rooms, building storage rooms; crawl spaces; roofs; columns; beams; girders; supports; and bearing walls.

5.2 Pipes, ducts, conduits, wires, and other utility installations, in each case to their respective outlets, except for the HVAC Equipment serving each Primary Unit which shall constitute part of the Primary Unit as set forth in Section 4.3.1 above.

5.3 The recycling/trash room on the ground floor, as shown on the Plans.

5.4 Landscaping, ground level courtyard, and exterior walkways.

5.5 The land included in the Property, together with any rights or appurtenances related thereto.

5.6 The bike storage area in the parking garage.

6. Limited Common Elements. The Limited Common Elements shall consist of (i) the courtyard, exercise room and spa on the ground floor; the use of which is reserved on an equal and exclusive basis for the Owners and occupants of the Residential Units, as shown on the Plans; (ii) common corridors located in the first through fifth floors of the building, the use of which is reserved on an equal and exclusive basis for the Owners and occupants of Residential Units, as shown on the Plans; (iii) the stairwells located on the first through fifth floors above grade, the use of which is reserved on an exclusive basis for the Owners and occupants of Residential Units; (iv) mail area on the ground floor of the building, as shown on the Plans, the use of which is reserved on an exclusive basis for the Residential Unit Owners and occupants;

(v) patios or balconies adjacent to certain Residential Units, as shown on the Plans, the use of which is reserved on an exclusive basis for the Owner of the adjacent Residential Unit;

(vi) rooms located on the first through fifth floors of the building in which the residential trash chutes are located, as shown on the Plans, the use of which is reserved on an equal and exclusive basis for the Owners and occupants of Residential Units;

(vii) rooms located on the first through fifth floors of the building in which the storage units are located, as shown on the Plans, the use of which is reserved on an equal and exclusive basis for the Owners of the Storage Units contained in each such room;

(viii) the lobby and attached office area located on the first floor, the use of which is reserved on an equal and exclusive basis for the Owners and occupants of Residential Units, as shown on the Plans;

(ix) the rooftop deck located on the fifth floor, as shown on the Plans, the use of which is reserved on an equal and exclusive basis for the Owners and occupants of Residential Units;

(x) the elevators and associated improvements located on the first through fifth floors, the use of which is reserved on an equal and exclusive basis for the Owners and occupants of Residential Units, as shown on the Plans; and

(xi) the loading area on the ground floor, the use of which is limited to Owners and occupants of the Retail Units on an equal and exclusive basis. The dimensions, designation, and location of the Limited Common Elements are shown on the Plans.

7. Allocation of Common Profits and Expenses; Enforcement of Assessments.

7.1 Method of Allocation. The common profits of the Property shall be distributed among the Owners according to the percentage of each Owner's respective undivided interest in the Common Elements pertaining to their Primary Units, without regard to any interest in the Common Elements pertaining to their Parking or Storage Units. The common expenses of the Property shall be divided into retail expenses, including any reserve assessments allocated to the Owners of the Retail Units pursuant to Section 5.2 of the Bylaws (the "Retail Expenses"), as shown on the attached Exhibit C-1; residential expenses, including any reserve assessments allocated to Owners of Residential Units pursuant to Section 5.2 of the Bylaws (the "Residential Expenses"), as shown on the attached Exhibit C-1; parking maintenance expenses, including expenses attributable to maintenance of the garages, garage doors and entry mechanisms, and associated reserve assessments, as shown on the attached Exhibit C-1 (the "Parking Expenses"); Storage Unit expenses for maintenance of the exterior of the Storage Units, including any reserve assessments, as shown on Exhibit C-1 (the "Storage Unit Expenses"); and fireplace expenses for costs of maintaining fireplace chases and fireplaces (the "Fireplace Expenses"). The Retail Expenses shall be charged to the Owners of the Retail Units according to the percentage determined by the ratio which the area of each Retail Unit bears to the total area of all Retail Units, as shown on the attached Exhibit C-2. The Residential Expenses shall be charged to the Owners of the Residential Units according to the percentage determined by the ratio which the area of each Residential Unit bears to the total area of all Residential Units, as shown on the attached Exhibit C-3. The Parking Expenses shall be charged to the Owners of the Parking Units equally, for each Parking Unit owned. The Storage Unit Expenses shall be charged to the Owners of the Storage Units equally, for each Storage Unit owned. The Fireplace Expenses shall be charged to each Owner of a Residential Unit that includes a fireplace, as set forth on Exhibit C-4, based on the number of fireplaces in such Owner's Residential Unit compared to the total number of fireplaces in the Condominium. In the event an Owner of a Primary Unit shall use an unreasonably disproportionate amount of a service included in the common expenses, as

determined by the Board in its reasonable discretion, then such Owner shall be required to bear the expense of such service individually (as, for example, by separate metering of utilities) and the common expenses incurred by the other Owners shall thereupon be adjusted accordingly. Any costs or expenses incurred by the Association (including, without limitation, capital improvements and maintenance, upkeep, and repair of Association Property) that are not assessable to an Owner pursuant to Section 5.8 of the Bylaws and not shown on Exhibit C shall be allocated between Retail Expenses and Residential Expenses in a proportion that reasonably and equitably reflects the benefit realized as a result of such cost or expense by the Owners of the Retail Units and Residential Units, respectively. The allocation described in the preceding sentence shall be determined by the agreement of the director elected by the Owner of the Retail Unit and by a majority of the directors elected by the Owners of Residential Units. In the event such directors are unable to reach agreement on an allocation within 30 days following written notice given to all directors of the cost or expense requiring allocation, the cost or expense shall be allocated 94 percent as a Residential Expense and 6 percent as a Retail Expense.

Assessments of common expenses shall commence upon closing of the first sale of a Unit provided that Declarant may elect to defer the commencement of assessment of common expenses (other than assessments for reserves pursuant to Section 5.2 of the Bylaws) for a period of 60 days following such initial closing. Assessments for reserves pursuant to Section 13.3 of this Declaration and Section 5.2 of the Bylaws shall commence upon closing of the first sale of a Unit, subject to the right of Declarant to defer the payment of assessments for reserves pursuant to Section 13.3. Declarant shall give not less than 10 days' written notice to all Owners of the commencement of assessments of all common expenses. Until the commencement of assessments for all common expenses, Declarant shall be responsible for payment of all common expenses of the Association (other than assessment for reserves pursuant to Section 5.2 of the Bylaws). Except to the extent provided in the Bylaws, the common expenses of the Property shall be assessed on a monthly basis.

7.2 No Exception. No Owner may claim exemption from liability for contribution toward the common expenses by waiver by the Owner of the use or enjoyment of any of the Common Elements or by abandonment by the Owner of the Owner's Unit, except as expressly set forth in Section 7.1. No Owner may claim an offset against an assessment for common expenses for failure of the Board of Directors or Association to perform its obligations.

7.3 Default in Payment of Common Expenses. In the event of default by any Owner in paying to the Association the assessed common expenses (including, but not limited to, reserve assessments or any other special assessments) or any other amounts owing to the Association, such Owner shall be obligated to pay interest 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. No interest or late charges will be assessed on common expenses paid within 30 days after the due date therefor. Delinquent payments of common expense assessments shall bear interest from the date thereof at a rate equal to 18 percent per annum, but in no event higher than the maximum rate permitted by law. The Board of Directors may also establish and impose charges for late payments of assessments, if the charge imposed is based upon a resolution adopted by the Board of Directors that is delivered to each Unit, mailed to the mailing address of each Unit, or mailed

to the mailing addresses designated by the Owners in writing. If the assessment is not paid within thirty (30) days of its due date, the Board of Directors may declare any remaining installments of assessments for the balance of the fiscal year immediately due and payable and may terminate the right to receive utility services paid for out of assessments or the right of access to and use of recreational and service facilities of the Condominium until assessments have been brought current. The Board of Directors shall have the right and duty to recover for the Association such common expenses, together with interest thereon, late charges, if any, and expenses of the proceeding, including attorneys' fees, by an action brought against such Owner or by foreclosure of the lien which the Board of Directors shall have upon such Owner's Units with respect to all such obligations.

7.4 Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Association to foreclose a lien on a Unit or Units because of unpaid assessments or charges, the Owner shall be required to pay a reasonable rental for the use of the Unit or Units 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 or Units at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the Unit or Units. An action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing any lien securing the same.

7.5 First Mortgages; Liability of Subsequent Purchaser. Any lien of the Association against a Unit or Units for assessments or charges shall be subordinate to tax and assessment liens and any first Mortgage of record, unless there has been compliance with all requirements of Section 100.450(7) of the Act. Where the purchaser or Mortgagee of a Unit or Units obtains title to the Unit or Units as a result of foreclosure of a first Mortgage or by deed in lieu of foreclosure, such purchaser or Mortgagee, his or her successors and assigns shall not be liable for any of the common expenses chargeable to such Unit or Units which became due prior to the acquisition of title to such Unit or Units by such purchaser or Mortgagee except to the extent provided in Section 100.475(2) of the Act; provided, in the case of a deed in lieu of foreclosure, that the Mortgagee complies with the requirements of Section 100.465(1) of the Act; and provided further, that any sale or transfer of a Unit pursuant to a foreclosure shall not relieve the purchaser or transferee of such Unit from liability for, nor such Unit or Units from the lien of, any common expenses thereafter becoming due. In a voluntary conveyance of a Unit or Units (subject to the restrictions of this Declaration), the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor of the Unit or Units to the time of grant of conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, upon request of a prospective purchaser, the Board of Directors shall make and deliver a statement of the unpaid assessments against the prospective grantor of the Unit or Units, and the grantee in such case shall not be liable for, nor shall the Unit or Units when conveyed be subject to, a lien filed thereafter for any unpaid assessments against the grantor in excess of the amounts therein set forth.

8. Voting Rights. Subject to the provisions of Section 21 of the Declaration and Section 2.8 of the Bylaws, one (1) vote shall be allocated to each Residential Unit and one (1) vote shall be allocated to each Retail Unit.

9. Use. The Retail Unit may be used for commercial purposes only in accordance with the Bylaws. The Residential Units are intended for residential use, as described in Section 7.2 of the Bylaws. The use of the Parking Units shall be limited to the parking of vehicles owned or operated by the Owner, tenant or resident of a Primary Unit or such Owner's or tenant's employees (but in no event shall the general public be allowed to use such Parking Units). The Storage Units shall be limited to storing items associated with a Residential Unit.

10. Service of Process. The designated agent to receive service of process in cases described in Section 100.550(1) of the Act is named in the Condominium Information Report which will be filed with the Real Estate Agency in accordance with Section 100.250(1)(a) of the Act.

11. Authority Regarding Easements and Other Property Rights. The Association has the authority, pursuant to Section 100.405(5) and (6) of the Act, to execute, acknowledge, deliver, and record on behalf of the Owners leases, easements, rights of way, licenses, and other similar interests affecting the Common Elements and to consent to vacation of roadways within and adjacent to the Condominium, in each case, which are reasonably necessary to the ongoing development and operation of the Condominium. The granting of any interest pursuant to this Section 11 shall first be approved by Owners holding at least 75 percent of the voting power of the Association, unless otherwise allowed to be approved by the Board under ORS 100.405(6)(a)(B).

12. No Restrictions on Alienation. This Declaration and the Bylaws impose no restrictions on the alienation of any Primary Unit. No person or entity may own or shall be entitled to acquire a Storage Unit unless such person or entity owns or shall simultaneously acquire a Residential Unit. No person or entity may own or shall be entitled to acquire a Parking Unit unless such person or entity owns or shall simultaneously acquire a Primary Unit. Notwithstanding the foregoing, Declarant or its successors and assigns may own unsold Parking and Storage Units even if it has conveyed all Residential Units. Any conveyance, transfer, or other disposition ("Transfer") of a Parking Unit to a person or entity who does not own or who is not acquiring a Primary Unit is prohibited and any Transfer of a Storage Unit to a person or entity who does not own or who is not acquiring a Residential Unit is prohibited. In the case of a Transfer or attempted Transfer of a Parking or Storage Unit in violation of this Section 12, in addition to the Association's other rights under this Section 12, the person or entity making or attempting such Transfer shall indemnify and hold harmless the Association and its members from all cost, liability, and damage that the Association or its members may incur (including, without limitation, attorneys' fees and expenses) as a result of such Transfer or attempted Transfer. In the event a person or entity engages or attempts to engage in a Transfer of a Parking or Storage Unit in violation of this Section 12, the Association acting through the Board may, in its sole discretion, fine the offending person or entity in such amounts as it may determine to be appropriate, in addition to any other rights or remedies available to the Association under this Declaration, the Bylaws or applicable law or in equity including, without limitation, the remedies of specific performance and injunction.

13. Maintenance and Repairs; Reserve Fund.

13.1 Maintenance of Common Elements and Parking Units. Except as otherwise provided in this Declaration or the Bylaws, the necessary work to inspect, maintain, repair, or replace the Common Elements, including the exterior surfaces of Storage Units (except the door thereto), and the Parking Units (notwithstanding that such Parking Units are not Common Elements) shall be the responsibility of the Association and shall be carried out as provided in the Bylaws. Without limitation of the foregoing, the Association shall be responsible for the painting, staining, repair and replacement of the exterior surfaces of all Units (including, without limitation, the repair and replacement of the roof, exterior doors and door frames, windows and window frames); cleaning of the exterior surfaces of all window and door glass; the repair and resurfacing of the courtyard and all patios and balconies; and the cutting, pruning, trimming, and watering of all landscaping. The Association is responsible for maintaining warranties in effect for all portions of the Common Elements and Parking Units, to the fullest extent possible. Trash removal from the retail trash disposal area shall be arranged and paid for separately by the Owners and tenants of the Retail Units. The Owners of the Retail Units shall be responsible for keeping the retail trash disposal area and loading area free of rubbish. If the Mortgagee of any Primary Unit determines that the Board is not providing an adequate inspection, maintenance, repair, and replacement program for the Common Elements and Parking Units, such Mortgagee, at its option, may deliver a notice to the registered agent of the Association, as required pursuant to Section 100.550 of the Act, setting forth the particular defect(s) which it believes exists in the maintenance, repair, and replacement program. If the specified defect(s) are not corrected within 60 days after receipt of such notice, then the Mortgagee, 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 Primary Unit on which it holds a Mortgage on all business coming before such meeting, which proxy rights shall continue until the defect(s) described in the notice are corrected.

13.2 Maintenance of Units. All maintenance of and repairs to any Primary and Storage 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 or her Unit or Units. In addition, each Owner of a Primary Unit shall be responsible for the maintenance, repair, or replacement of interior doors and any plumbing, heating or air conditioning fixtures, telephones, water heaters, fans, lighting fixtures and lamps, refrigerators, dishwashers, ranges, or other appliances and accessories that may be in his or her Primary Unit and the HVAC Equipment located on the roof that serves only such Owner's Primary Unit. The Owner shall coordinate repairs of the HVAC Equipment on the roof with the professional manager for the Condominium, to ensure that roof warranties are not voided and to allow access for such contractors. Each Owner shall maintain the doors which provide the means of ingress and egress to and from his or her Primary Unit and Storage Unit (including the repair of any damage thereto), and the windows opening on to his or her Unit (including the repair or replacement of cracked or broken windows, but excluding exterior window washing, which shall be the responsibility of the Association), notwithstanding that such surfaces may be part of the Common Elements. Each Owner of a Storage Unit shall be responsible for the maintenance, repair, and replacement of the exterior doorway or face panel of any Storage Unit and any

fixtures thereon, such as knobs, handles, and hinges, the interior surfaces of the Storage Unit, and any lighting fixtures or other fixtures located within, or attached to the interior of, the Storage Unit. Each Owner of a Residential Unit shall keep the patio or balcony adjacent to such Owner's Unit, if any, clean and free of debris, notwithstanding that such patios and balconies are Common Elements.

13.3 Reserve Fund for Replacing Common Elements. Declarant shall conduct a reserve study as required by the Act and shall establish in the name of the Association a reserve fund for replacement of Common Elements which will normally require replacement in more than three and fewer than 30 years and for the painting of exterior painted surfaces of Common Elements, if any, as provided in Section 5.2 of the Bylaws. The reserve study assumes that the Association conducts normal, routine maintenance for the elements reserved for and that the Association is required to perform pursuant to this Declaration, the Bylaws and the Act. If the Association fails to perform required maintenance, the reserve fund may be inadequate at the time of the required replacement for one or more elements included in the reserve study. The reserve fund shall also be governed by Section 5.2 of the Bylaws. Declarant may elect to defer payment of assessments for the reserve fund with respect to a Unit until the time of conveyance of the Unit; provided, however, that Declarant may not defer payment of accrued assessments for the reserve fund beyond the date of the Turnover Meeting, or if the Turnover Meeting is not held, the date the Owners assume administrative control of the Association. The books and records of the Association shall reflect the amount owed by Declarant for all reserve fund assessments.

14. Rights of Access and Use.

14.1 In General. Each Owner shall have a perpetual right of reasonable access and use to, through, over, and of each other Unit and the Common Elements as may be required for ingress and egress to and from such Owner's Unit or Units; for the support of such Owner's Unit or Units; and for the installation, operation, repair, maintenance, and replacement of utilities and other systems serving such Owner's Units, including, but not limited to, water, natural gas, air conditioning, cable television, electrical power and wiring, light, or plumbing serving a Primary Unit. The Owner shall use the foregoing rights only as necessary and shall exercise all due care in the exercise of such right and shall be responsible for and indemnify, defend and hold harmless the other Owners from any harm or damage resulting from the exercise of the Owner's rights under this Section 14.1. The specific reference to or reservation of any rights of access and use in this Declaration does not limit or negate the general easement for Common Elements created by the Act.

14.2 Water Intrusion and Mold Inspection. The Board, acting on behalf of the Association, may authorize entry into any Owner's Unit or Units to conduct a periodic inspection of the Owner's Primary Unit and Storage Unit for water intrusion into the Unit and/or the appearance of mold or mildew within such Unit. Such inspection shall be made by an agent of the Association appointed by the Board of Directors and shall occur at such time as is reasonably convenient to the Owner (or Owner's tenant) and the inspector. Nothing contained within this Section 14.2 is intended to modify the maintenance and repair obligations of any party as provided in the Bylaws and this Declaration. The Owner of such Unit shall be required to remediate any mold or mildew within the Unit itself.

14.3 Additional Rights Created by Association. The Association, upon prior approval of Owners holding at least 75 percent of the voting power of the Association, may create on behalf of the Owners additional rights of access and use with respect to the General Common Elements. No such right may be granted with respect to a Limited Common Element unless the Owners and Mortgagees of the Primary Units having the right to use such Limited Common Elements consent to the creation of such a right. Nothing in this Section 14.3 shall be construed to enable the Association to revoke, alter, modify, or terminate any easements, rights of way, licenses, or similar interests of record on the date this Declaration is recorded.

14.4 Right of Entry. In addition to the rights granted to the Association elsewhere in this Declaration, the Bylaws, or by the Act, the Board, acting on behalf of the Association, or a managing agent, manager, or any other person authorized by the Board, shall have the right to enter any Owner's Unit or Units in the case of any emergency or property damage originating in or threatening such Unit or Units or other Units, Common Elements or Association Property or requiring repairs in such Unit or Units to protect public safety, whether or not the Owner is present at the time. Each Owner shall also permit such persons to enter the Owner's Unit or Units for the purpose of performing installations, alterations, maintenance, cleaning, or repairs to any Common Element, preventing damage to the Common Elements, Association Property or another Unit, performing the Association's inspection and maintenance obligations, or inspecting the Unit or Units to verify that the Owner is complying with the restrictions and requirements described in this Declaration, the Bylaws, and/or the Rules and Regulations, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. For a period of 10 years following recording of this Declaration, Declarant shall have a right to inspect the Common Elements of the Condominium and the Association's records regarding inspections and maintenance of the Condominium.

14.5 Right of Access and Use for Declarant. Declarant and Declarant's agents, successors, and assigns shall have a right of access and use to, through, over, and of the Common Elements and Parking Units for the purpose of (i) planning, designing, renovating, developing, constructing, inspecting, maintaining, repairing or selling all or any part of on the Property, to the extent Declarant is required or authorized to conduct such activities (a) pursuant to this Declaration, the Bylaws, or the Plans, (b) under contracts of sale with purchasers of Units, (c) satisfying any repair obligation of Declarant, (d) inspecting the Property for defects or to verify appropriate maintenance is being performed, or (e) under applicable law or regulations, and (ii) carrying out sales activities reasonably necessary for the sale of Units, including, without limitation, the right to use the Units owned by Declarant as model Units, the right to post "for sale" and "for rent" signs, and the right to use a Primary Unit owned by Declarant or a portion of the Common Elements as a sales office, until all Units have been conveyed to persons other than Declarant; provided, however, that Declarant shall restore the portions of the Property which it accesses or uses pursuant to this Section 14.5 to substantially the same condition that existed prior to such access or use (except to the extent Declarant has constructed improvements contemplated by this Section 14.5). Declarant is expressly authorized to complete renovation of all parts of the Condominium, including Common Elements and Units, until Declarant has conveyed all Units to other persons. The right of entry and inspection provided in this Section 14.5 shall not in any way obligate the Declarant or Declarant's agents, successors and assigns to make such an inspection, and the decision on whether to inspect Units and the frequency of such

inspections, if any, shall be solely within the discretion of the Declarant or its successors and assigns.

15. Partition; Division.

15.1 Partition. The Retail Units may be partitioned into individual discrete premises at any time by the Owner thereof without the consent of Owners of other Units or of the Board of Directors, by the erection of demising walls and partitions or other walls, as determined by the Owner of such Retail Unit, in such Owner's sole discretion. The Owner of the Retail Unit may change and reconfigure such partitioning at any time in each such Owner's sole discretion, subject only to the rights of tenants of the affected Retail Unit.

15.2 Creating Additional Units from the Retail Units. Pursuant to, and in accordance with the processes set forth in, ORS 100.625, an Owner of a Retail Unit may divide and create his or her Retail Unit into two or more Retail Units. The maximum number of Retail Units into which each Retail Unit may be divided is three (3). Any Retail Units so created shall be used only for commercial purposes, as required prior to such creation. In the event of such division and creation, the interest in the Common Elements reserved for the divided Retail Unit as of the date of this Declaration shall be reallocated by taking the total interest in the Common Elements reserved for the divided Retail Unit and allocating it among the newly created Units on the basis of the ratio of the square footage of each newly created Retail Unit bears to the square footage of all newly created Retail Units, such that there shall be no reallocation of the particular Retail Unit's interest in the Common Elements. The Limited Common Elements serving the divided Retail Unit shall continue to serve the Units created from such Retail Unit and be used for the same purposes. Retail Expenses assigned to the divided Retail Units as of the date of this Declaration shall be allocated among all of the newly created Units of the former Retail Unit on the basis of the ratio by which the square footage of each newly created Unit bears to the square footage of all newly created Units, such that there shall be no reallocation of Residential Expenses, Parking Expenses, Storage Unit Expenses or Fireplace Expenses. Common profits assigned to the Retail Unit then being divided as of the date of recordation of this Declaration shall be reallocated among all of the newly created Retail Units on the basis of the ratio by which the square footage of each newly created Retail Unit bears to the square footage of all newly created Retail Units, such that there shall be no reallocation of common profits assigned to Residential Units. Voting rights shall be allocated by assuming that votes are allocated to all Retail Units based on one vote per Retail Unit. For purposes of this Section 15.2, the square footage of the newly created Retail Unit shall be measured to the centerpoint of the newly established boundary walls between newly created Retail Units, such that the total square footage of all newly created Retail Units equals the total square footage of the former Retail Unit. The Owner of the divided Retail Unit shall indemnify and hold harmless the Association, the Board of Directors and all other Owners for, from and against any liability, cost, damage or expense arising out of or attributable to the division of such Retail Unit.

16. Encroachments.

16.1 Each Unit and all Common Elements shall have an easement over all adjoining Units and Common Elements for the purpose of accommodating any present or future encroachment as a result of engineering errors, construction, reconstruction, repairs, settlement,

shifting, or other movement of any portion of the Property, or any other similar cause, and any encroachment due to building overhang or projection as long as the physical boundaries of the Units are in substantial accord with the description of those boundaries that appears in the Declaration. There shall be a valid easement for the maintenance of the encroaching Units and Common Elements so long as the encroachment shall exist and, except as otherwise provided in Section 16.2, the rights and obligations of Owners shall not be altered in any way by the encroachment.

16.2 The easement described in Section 16.1 does not relieve an Owner of liability in case of willful misconduct of an Owner or relieve the Declarant or any contractor, subcontractor, or materialman of liability for failure to adhere to the Plans.

16.3 The encroachments described in Section 16.1 shall not be construed to be encumbrances affecting the marketability of title to any Unit.

17. Notices to Mortgagees. The Association shall provide timely written notice of the following matters to any Eligible Mortgagee, or any Eligible Mortgage Insurer or Guarantor, who makes a written request therefor to the Association:

17.1 Any condemnation or casualty loss that affects either a material portion of the Condominium or a Unit in which it holds an interest;

17.2 Any delinquency of 60 days in the payment of common expenses assessed to a Unit in which it holds an interest;

17.3 A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

17.4 Any proposed action that requires the consent of a specified percentage of Mortgagees under this Declaration or the Bylaws.

18. Operating Entity. University Park Condominiums Owners' Association, an Oregon nonprofit corporation, has been organized to administer the operation and management of the Condominium and to undertake and perform all acts and duties incident thereto in accordance with the terms of its Articles of Incorporation and the Bylaws. A copy of the Bylaws, which have been adopted by the Declarant as required by Section 100.410(1) of the Act, are attached hereto as Exhibit D. The Owner of each Primary Unit shall automatically become a member of the Association upon such Owner's acquisition of an ownership interest in any Primary Unit and the membership of an Owner shall terminate automatically upon such Owner's being divested of all of such Owner's ownership interest in the Primary Units, regardless of the means by which such ownership interest is divested. Each Owner shall be entitled to vote in the manner prescribed in the Articles of Incorporation of the Association and the Bylaws. Until the Turnover Meeting, the members of the Board need not be Owners. No person or entity holding any Mortgage, lien, or other encumbrance on any Unit shall be entitled, by virtue of such Mortgage, lien, or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership, except as specifically described in this Declaration. In the administration of the operation and management of the Condominium, the Association shall have

and is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and collect assessments, and to adopt, promulgate, and enforce Rules and Regulations in the manner provided herein and in the Bylaws. Acquisition of an ownership interest in a Primary Unit by an Owner shall constitute appointment of the Association as that Owner's attorney-in-fact in connection with proceedings, negotiations, settlements, and agreements arising from condemnation, destruction, liquidation, or termination of the Condominium, subject to the rights of the Owners described in the Bylaws and the Act.

19. Managing Agent. Subject to the rights of the Association to terminate such agreement entered into prior to the Turnover Meeting without penalty or cause upon not less than 30 days' written notice given at any time, the Board shall have the authority, on behalf of the Association, to enter into a management agreement with respect to the Condominium prior to the Turnover Meeting for a term not to exceed three (3) years. On behalf of the Association, the Board may, after the Turnover Meeting, employ or contract for a managing agent or manager in accordance with the Bylaws at a compensation to be established by the Board. Any such management agreement shall be terminable by the Association upon not more than 90 days' nor less than 30 days' written notice thereof. The Board may delegate to the managing agent or manager such duties and powers as the Board may authorize. In the absence of such appointment, the Board shall act as manager of the Condominium.

20. Taxation of Units. Each Unit, together with the undivided percentage interest in the Common Elements allocated to such Unit, shall be considered a parcel of real property subject to separate assessment and taxation by any taxing authority in a manner comparable to the taxation of other parcels of real property. The Common Elements shall not be considered a separate parcel for purposes of taxation.

21. Administrative Control. Except as otherwise provided in this Declaration or in the Bylaws, Declarant reserves control until the earlier to occur of the date that is three years after the date on which the first Primary Unit is conveyed or the date at which 75 percent of all 311 Units have been conveyed to persons other than the Declarant, during which time:

21.1 Declarant may appoint and remove officers and members of the Board;

21.2 Declarant shall have five (5) votes with respect to each Primary Unit owned by it, notwithstanding the provisions of Section 8; and

21.3 Declarant shall have the right to exercise all powers of the Association, the Board, or the Condominium officers under this Declaration, the Bylaws, and the Act, except that Declarant may not bind the Association to any management agreement, service contract, employment contract, lease of recreational areas or facilities, or contract or lease (other than a ground lease) to which Declarant is a party, which is made prior to the Turnover Meeting unless the Association or the Board is granted therein a right of termination thereof which is exercisable without cause or penalty upon not less than 30 days' written notice given to the other party thereto not later than 60 days after the Turnover Meeting except as otherwise provided in Section 19.

22. Casualty.

22.1 Responsibility of Association. The Association shall be responsible for repairing, reconstructing, or rebuilding all damage or destruction of the Common Elements and Parking Units by casualty and, to the extent of the Association's insurance coverage, all such damage or destruction to the other Units. Each Owner shall be responsible for the repairing, reconstructing, or rebuilding of his or her Primary Units and Storage Units to the extent not covered by the Association's insurance and to the extent of any deductible under the Association's insurance. The Association shall rebuild and restore the damaged or destroyed portions of the Common Elements, Parking Units, and, to the extent of the Association's insurance coverage, of the other Units, so that the Property is rebuilt and restored to substantially the same condition in which it existed prior to such damage or destruction, unless Owners of at least 75 percent of the Primary Units and 75 percent of all first Mortgagees of Primary Units agree that the Property shall not be rebuilt or restored. The Association shall represent the Owners in any proceeding, negotiation, settlement, or agreement relating to the payment of proceeds under any insurance policies held by the Association. Any such proceeds shall be payable to the Association to the extent of its interest therein. If the Property is to be rebuilt and restored and the proceeds of the insurance policies held by the Association are insufficient to fund the full cost of rebuilding and restoration, the difference between the amount of such proceeds and such cost may be charged to all Owners as a common expense. If the required number of Owners of Primary Units and first Mortgagees agree that the Property shall not be rebuilt and restored, the Property shall be considered removed from the provisions of the Act in accordance with Section 100.605 thereof, and any proceeds resulting from such removal shall be distributed in accordance with Section 100.615 of the Act.

22.2 Responsibility of Owner. If, due to the act or neglect of an Owner, or of a member of his or her family or his or her household pet or of a guest, servant, invitee, employee or other authorized occupant or visitor of such 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 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, including specifically the Association's deductible.

23. Condemnation.

23.1 Total Condemnation. In the event of condemnation of the whole of the Condominium, the compensation to be paid to Owners of Units shall be negotiated and finalized, including, if required, by representation in any proceeding, by the Association, subject to ratification of such compensation by the Owners of at least 75 percent of the Primary Units at a special meeting called for that purpose, whether or not proceedings are necessary, and compensation, less expenses involved, if any, in obtaining the compensation shall be paid to the Association and then distributed among the Owners of Units in equitable proportions and payable to any Mortgagee to the extent required to obtain a discharge of Mortgage. Notwithstanding the award for the condemnation of the whole Condominium, the rights of each Owner of a Unit shall be separate to negotiate and finalize his or her personal compensation for improvements made to the Unit or Units, cost of moving, and other similar items personal to each Owner.

23.2 Partial Condemnation. In the event of a partial condemnation of the Condominium which includes some Units and/or Limited Common Elements, each Owner whose Unit or Units or associated Limited Common Elements are condemned shall deal with the condemning authority with regard to compensation therefor, and the compensation for such Unit or Units or Limited Common Elements shall be paid to such Owner (or the Mortgagee of that Owner's Unit). The Association shall negotiate compensation relating to any General Common Elements (except as provided above). The cost, if any, of restoring the balance of the Condominium so that it may be used shall be determined by the Association and the Association shall negotiate with the condemning authority with regard to compensation for this expenditure and shall, unless the Condominium is terminated within 30 days after the receipt of such compensation in accordance with the Act, reconstruct the Condominium, using the funds received for such reconstruction. Any moneys received by the Association for any such reconstruction shall be held in trust by the Association for the purpose of such reconstruction.

24. Fidelity Bond. 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, whether or not such person or entity receives compensation for services, shall furnish a fidelity bond as the Board of Directors deems adequate under this Section 24. In no event, however, may the aggregate amount of such insurance be less than the sum equal to three months' aggregate assessments on all Units plus reserve funds. Such bonds shall name the Association as the obligee and shall cover the maximum funds that may be in the custody of the Association or any manager at any time while such bonds are in force but, in any event, not less than the sum of three months of common expense assessments on all Units. Any such bond shall include a provision requiring not less than ten days' written notice to the Association and any Mortgagee of a Unit requesting a copy thereof and each servicer on behalf of the Federal National Mortgage Association ("Fannie Mae") before cancellation or substantial modification of the bond for any reason. The premiums on such bonds shall be paid by the professional manager.

25. Amendment.

25.1 Approval by Owners. Amendments to the Declaration shall be proposed by either a majority of the Board of Directors or by Owners holding 30 percent or more of the voting rights. 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 or attached to any request for consent to the amendment. Except as may otherwise be provided in this Declaration or by the Act, this Declaration may be amended if such amendment is approved by Owners holding at least 75 percent of the voting power of the Association and the consent of Declarant, for so long as Declarant owns a Unit or for 10 years from the date of the Turnover Meeting, whichever is latest; provided that any amendment to the provisions of this Declaration that relates solely to, or that imposes additional burdens upon or takes away rights particular only to, the Residential Units or the Retail Units shall, in addition to the voting requirements stated previously in this sentence, require 75 percent of the voting power of the Residential Units, if the Residential Units are so affected, and the 75 percent of the voting power of the Retail Units, if the Retail Units are so affected. The unanimous consent of all Owners of Primary Units shall be required for amendments of Sections 14.3 and 17 of this Declaration. Section 9 of this Declaration may not

be amended in a manner that limits or restricts the use for retail or office purposes of the Retail Units, without the approval of 75 percent of the voting power of such Retail Units. Except as otherwise provided in the Act, no amendment may change the size, location, allocation of undivided interest in the Common Elements, method for determining liability for common expenses, the method of determining the right to common profits, or the method of determining the voting rights of or with respect to any Unit unless such amendment has been approved by the Owners of the affected Units. Voting on any amendment to this Declaration shall be without regard to Declarant's enhanced voting power under Section 20.2, except for an amendment to approve a plat amendment, or to correct any provision of or exhibit to this Declaration, whether such correction is required due to a surveyor's error, factual error, miscalculation, omission or to comply with the requirements of any applicable statute, ordinance, regulation or guideline of the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon that insures, guarantees or provides financing for condominiums or to comply with the Act. For a period of 10 years after the date of the Turnover Meeting, the Bylaws, the Rules and Regulations, and this Declaration may not be modified, added to, amended, or repealed so as to eliminate, change, or impair any rights, privileges, easements, licenses, or exemptions granted therein or herein to Declarant or its designee, or otherwise so as adversely to affect Declarant or such designee, without Declarant's or such designee's prior written consent in each instance.

25.2 Approval by Mortgagees. Except when a greater percent is required by the Declaration or Bylaws, or a greater or lesser percent is required by the Oregon Condominium Act, the consent of the Owners of Primary Units holding at least 67 percent of the voting rights and the approval of Eligible Mortgagees holding mortgages on Units that have at least 51 percent of the voting rights of the Primary Units subject to Eligible Mortgagee Mortgages shall be required for any amendments of a material nature to the Declaration or Bylaws. Any amendment to the Declaration or Bylaws that changes any of the provisions of such documents governing the following shall constitute a material changes:

25.2.1 Voting Rights;

25.2.2 Increases in assessments that raise the previously assessed amount by more than 25 percent, assessment liens or the priority of such liens;

25.2.3 Reduction in reserves for maintenance, repair and replacement of the Common Elements;

25.2.4 Responsibility for maintenance and repairs;

25.2.5 Reallocation of interests in the General or Limited Common Elements, or rights to their use, except as otherwise provided in Section 28;

25.2.6 The boundaries of any Unit, except as other wise provided in Section 28;

25.2.7 Convertibility of Units into Common Elements or of Common Elements into Units;

25.2.8 Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;

25.2.9 Hazard or fidelity insurance requirements;

25.2.10 Imposition of any restrictions on the leasing of Units;

25.2.11 Imposition of any restriction on the right of an Owner to sell or transfer his or her Unit;

25.2.12 A decision by the Association to establish self-management when professional management had been required previously by this Declaration, the Bylaws or an Eligible Mortgagee;

25.2.13 Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than specified in this Declaration or the Bylaws;

25.2.14 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or

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

In addition, except as otherwise provided in the Act, no amendment to this Declaration may change the size, location, allocation of undivided interest in the Common Elements, method for determining liability for common expenses, right to common profits, or voting rights of or with respect to any Unit unless such amendment has been approved by the holders of any Mortgages on the affected Units. Any approval of a Mortgagee required under this Section 25 may be presumed by the Association if such Mortgagee fails to submit a response to a written proposal for an amendment to this Declaration within 30 days after it receives notice of such proposal by certified or registered mail, return receipt requested.

25.3 Approval by Governmental Authorities. The Association shall use reasonable efforts to obtain the approval of an amendment to this Declaration by a governmental authority engaged in the guaranty of, or the issuance of insurance with respect to, Mortgages, if required by such authority.

25.4 Recordation. Amendments to this Declaration shall be effective upon recordation of the Declaration as amended, or of the amendment thereto, certified by the chairman and secretary of the Association as being adopted in accordance with this Declaration and the provisions of the Oregon Condominium Act and approved by the county assessor and the Oregon Real Estate Commissioner, if required by law, in the deed records of Multnomah County, Oregon.

26. Termination. Termination of the Condominium shall be effected in accordance with Section 100.600 and any other applicable provision of the Act, but in no event shall be consummated, other than in connection with the substantial destruction or condemnation of the Property, without the prior written consent of at least 67 percent of those holders of first Mortgages on Primary Units (based upon one vote for each first Mortgage held) who have given written notice to the Association requesting notification of any proposed action that requires the consent of a specified percentage of eligible Mortgagees. The common profits and expenses of the Property following termination of the Condominium shall be allocated in accordance with the Act.

27. Dispute Resolution.

27.1 Required Procedure. Except as provided in Section 27 below, to the fullest extent allowed by law, if a dispute arises, all claims, controversies, or disputes, whether they are statutory, contractual, tort claims, and/or counterclaims between or among Declarant, Declarant's successors and assigns, the Association, and/or Owner(s) (collectively, the "Parties" and individually, a "Party") which arise out of or are related to the Condominium, the Act, this Declaration, the Bylaws, the Articles of Incorporation of the Association, or the Rules and Regulations, or which relate to the interpretation or breach of the Act, this Declaration or the Bylaws, the Articles of Incorporation of the Association, or the Rules and Regulations (collectively referred to as "Claims") shall be resolved in accordance with the procedures specified herein. Except as otherwise required by the Act, the following matters are excluded from this dispute resolution clause and do not constitute Claims: (i) judicial or non-judicial foreclosure or any other action or proceeding to enforce assessments, fines, interest or a trust deed, mortgage, Association lien, or land sale contract; (ii) a forcible entry and detainer action; (iii) actions by the Association pursuant to Section 5.6 of the Bylaws prior to summary abatement and removal of a structure or other condition that violates this Declaration, the Bylaws or any Rules and Regulations; (iv) actions for the appointment of a receiver pursuant to Section 5.9 of the Bylaws; (v) provisional remedies such as injunctions or the filing of a lis pendens, or (vi) the filing or enforcement of a mechanic's lien. The filing of a notice of pending action (lis pendens) or the application to any court having jurisdiction thereof for the issuance of any provisional process remedy described in Rules 79 through 85 of the Oregon Rules of Civil Procedure (or corresponding federal statutory remedies), including a restraining order, attachment, or appointment of receiver, shall not constitute a waiver of the right to mediate or arbitrate under this Section, nor shall it constitute a breach of the duty to mediate or arbitrate. The proceeds resulting from the exercise of any such remedy shall be held by the Party obtaining such proceeds for disposition as may be determined by an agreement of the Parties pursuant to a mediation or by the arbitration award.

27.2 Negotiated Resolution. The Parties will seek a fair and prompt negotiated resolution of Claims and shall meet at least once to discuss and to seek to resolve such claims, but if this is not successful, all disputes shall be resolved in small claims court, by mediation or by binding arbitration as set forth in Sections 27.3, 27.4 and 27.5 below, as applicable.

27.3 Mediation. Prior to mediation of any Claim, the Parties shall have endeavored to resolve disputes through the process set forth in Section 27.2 above. All Claims that are not resolved by such process shall be subject to mediation as a condition precedent to

arbitration. The request for mediation may be made concurrently with the filing of a demand for arbitration as set forth in Section 27.5 below, but, in such event, mediation shall proceed in advance of arbitration, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the Parties. All mediation shall be in accordance with the rules of procedure of any dispute resolution program available in Multnomah County, Oregon that is in substantial compliance with the standards and guidelines adopted under ORS 36.175, as it may be amended.

27.4 Small Claims. All Claims that have not been resolved by mediation and which are within the jurisdiction of the Small Claims Department of the Circuit Court of the State of Oregon shall be brought and determined there, and all Parties waive their right to a jury trial with respect to such claims.

27.5 Arbitration. Prior to arbitration of any Claim, the Parties shall have endeavored to resolve disputes through the processes set forth in Section 27.2, 27.3 and 27.4 above, as applicable. All Claims that have not been resolved by such processes shall be resolved by binding arbitration. Such arbitration shall be conducted by and pursuant to the then effective arbitration rules of the American Arbitration Association, or another reputable arbitration service selected by Declarant. If Declarant is not a Party to such dispute, the arbitration service shall be selected by the Association. Any judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

27.6 Confidentiality. The Parties shall keep all discussions of disputes, all settlements and arbitration awards and decisions confidential and shall not disclose any such information, whether directly or indirectly, to any third parties unless compelled to do so by an order of a court of competent jurisdiction. The Parties agree in the event a Party breaches its confidentiality obligation that the other Party or Parties to the dispute shall be entitled to seek and obtain any and all equitable remedies, including injunctive relief and specific performance and each Party hereby waives any claim or defense that the other Party has an adequate remedy at law for any such breach and the Parties agree that the aggrieved Party shall not be required to post any bond or other security in connection with any such equitable relief.

27.7 No Attorneys' Fees. Except as specifically provided for in this Declaration or the Bylaws, no Party in the arbitration, mediation or other proceeding shall be entitled to recover costs or attorneys' fees in connection therewith.

28. Waiver; Time Limitation; Additional Reserve Contribution.

28.1 RELEASE AND WAIVER OF ALL PAST, PRESENT, AND FUTURE CLAIMS REGARDING CONDITION OF PROPERTY. ACKNOWLEDGING THAT SALES FROM DECLARANT ARE ON AN "AS IS BASIS", TO THE FULLEST EXTENT ALLOWED BY LAW, EACH PURCHASER OF A UNIT, THE ASSOCIATION AND ALL SUCCESSOR OWNERS AND OCCUPANTS, RELEASE AND WAIVE ANY CLAIM WHENEVER ARISING AGAINST DECLARANT OR ITS AGENTS, BROKERS, SUCCESSORS, EMPLOYEES, AFFILIATES, CONTRACTORS, REPRESENTATIVES, OFFICERS, DIRECTORS AND MEMBERS OR AGAINST THE ASSOCIATION OR ANY BOARD MEMBER THEREOF (COLLECTIVELY, THE "DECLARANT PARTIES"),

RELATING TO OR ARISING FROM THE CONDITION OF THE CONDOMINIUM PROPERTY AT ANY TIME. THE WAIVER IS ABSOLUTE AND UNCONDITIONAL, AND THIS RELEASE AND WAIVER APPLIES WHETHER OR NOT THE PURCHASER HAD KNOWLEDGE OF ANY POTENTIAL CAUSE OF ACTION FOR SUCH CLAIMS. THE WAIVER APPLIES TO CLAIMS UNDER ANY LEGAL THEORY, INCLUDING BUT NOT LIMITED TO NEGLIGENCE, NEGLIGENCE PER SE, NEGLIGENT OR INTENTIONAL MISREPRESENTATION, DEFECTIVE CONSTRUCTION, BREACH OF CONTRACT, UNLAWFUL TRADE PRACTICE, BREACH OF FIDUCIARY DUTY, STRICT LIABILITY, NUISANCE, TRESPASS OR ANY OTHER THEORY, WHETHER ARISING FROM STATUTE, CONTRACT, TORT OR OTHERWISE. THIS WAIVER INCLUDES, WITHOUT LIMITATION, CLAIMS RELATING TO CONSTRUCTION DEFECTS, WATER INTRUSION, MOLD, MILDEW, FUNGUS AND/OR ODORS IN THE UNIT OR COMMON ELEMENTS; PRODUCTS OR CONDITIONS IN THE UNIT OR COMMON ELEMENTS, INCLUDING FOR EXAMPLE CARBON MONOXIDE, RADON OR CARPET GLUE; NOISE OR SOUND TRANSMISSION; LOSS OF USE; EMOTIONAL DISTRESS; INCIDENTAL OR CONSEQUENTIAL DAMAGES; ATTORNEY FEES AND COSTS; OR RELOCATION EXPENSES (TEMPORARY OR OTHERWISE). IT IS ACKNOWLEDGED THAT DECLARANT WOULD HAVE REQUIRED A SIGNIFICANTLY HIGHER PURCHASE PRICE FOR THE UNITS IF THE PURCHASERS REFUSED TO ACCEPT THE PROPERTY ON AN "AS IS" BASIS, REQUIRED ANY WARRANTY, OR DECLINED TO PROVIDE THIS RELEASE AND WAIVER. THIS SECTION 28.1 SERVES AS NOTICE OF RECORD THAT THE RELEASE AND WAIVER SHALL BE BINDING UPON SUCH PURCHASERS, ALL SUCCESSOR OWNERS OR OCCUPANTS OF THE UNIT, THE ASSOCIATION, AND THEIR RESPECTIVE EMPLOYEES, CONTRACTORS, PROPERTY MANAGERS, BROKERS, HEIRS, SUCCESSORS, ASSIGNS, GUESTS AND INVITEES. CLAIMS OF THE ASSOCIATION ARE DERIVATIVE OF CLAIMS OF UNIT OWNERS AND THE ASSOCIATION SHALL BE BOUND BY THE WAIVER. THE WAIVER ACTS AS A COMPLETE BAR AND DEFENSE AGAINST ANY RELEASED OR WAIVED CLAIM.

28.2 TIME LIMITATION ON ACTIONS. THE FOREGOING RELEASES AND WAIVERS OF CLAIMS ARE INTENDED TO BE COMPREHENSIVE AND FINAL. TO THE EXTENT IT IS DETERMINED THAT ANY CLAIMS AGAINST ANY DECLARANT PARTY, UNDER ANY LEGAL THEORY, SURVIVE THE FOREGOING RELEASE AND WAIVER FOR ANY REASON, SUCH CLAIM MUST BE BROUGHT ON OR BEFORE THE EARLIER OF (A) THE EXPIRATION OF THE APPLICABLE STATUTE OF LIMITATIONS, OR (B) WITHIN 60 DAYS AFTER THE DATE PURCHASER, PURCHASER'S SUCCESSORS OR THE ASSOCIATION KNEW OR REASONABLY SHOULD HAVE KNOWN OF FACTS SUFFICIENT TO PUT IT ON NOTICE OF THE CLAIM, OR (C) WITH RESPECT TO THE UNIT AND RELATED LIMITED COMMON ELEMENTS, BY NO LATER THAN THE FIRST ANNIVERSARY OF THE CLOSING DATE OF THE SALE OF THE APPLICABLE UNIT FROM DECLARANT TO THE INITIAL PURCHASER OR, (D) WITH RESPECT TO THE GENERAL COMMON ELEMENTS, ON THE LATER TO OCCUR OF (I) THE FIRST ANNIVERSARY OF THE DATE OF THE FIRST CONVEYANCE OF A UNIT IN THE CONDOMINIUM TO A UNIT OWNER OTHER THAN DECLARANT OR (II) THE FIRST ANNIVERSARY OF THE DATE OF COMPLETION OF CONSTRUCTION OR RENOVATION OF THE GENERAL COMMON

ELEMENT IN QUESTION. ANY AND ALL SUCH CLAIMS NOT BROUGHT WITHIN THIS TIME PERIOD WILL BE DEEMED TIME BARRED, REGARDLESS OF WHEN PURCHASER, PURCHASER'S SUCCESSORS OR THE ASSOCIATION ACTUALLY DISCOVERED THE ALLEGED BASIS FOR THE CLAIM. FOR PURPOSES OF THIS SECTION 28.2, A CLAIM IS "BROUGHT" WHEN ARBITRATION IS FORMALLY INITIATED OR A COMPLAINT IS FILED IN THE APPROPRIATE COURT AND SERVED PROMPTLY ON DECLARANT.

28.3 Additional Reserve Contribution. Declarant shall fund a refundable reserve account with the sum of \$387.60 upon the initial sale of each Primary Unit in the Condominium, for a total amount of \$50,000.00 upon the sale of all Primary Units by Declarant (the "Additional Reserve Contribution"). Declarant shall deposit all additions to the Additional Reserve Contribution into a separate, interest-bearing account specifically designated for the deposit of the Additional Reserve Contribution amounts. The Additional Reserve Contribution is separate from and unrelated to any reserve fund assessment obligation of Declarant pursuant to Section 13.3 of the Declaration or Section 5.2 of the Bylaws. The Additional Reserve Contribution shall be transferred by Declarant to the Association for deposit into a reserve fund if: (i) five (5) years has elapsed from the date of the sale of all Units in the Condominium, and (ii) no Claim (as defined in Section 27.1) has been brought by the Association or any Owners against Declarant or its successors and assigns within the 10-year period from the date of recordation of this Declaration. In the event a Claim is brought by the Association within such 10-year time period, Declarant shall be entitled to retain all of the Additional Reserve Contribution and all interest earned thereon and the Association shall have no right to receive any of the Additional Reserve Contribution.

28.4 Covenants Running with the Land. The provisions of this Section 28 are intended to touch and concern the Condominium and shall be deemed covenants running with the land. Each and every term of this Section 28 shall, to the fullest extent allowed by law, bind each Owner, the Association and each subsequent owner or transferee of a Unit.

29. Special Declarant Rights. As more particularly provided in this Section, Declarant, for itself and any successor Declarant, has reserved the following special Declarant rights:

29.1 Completion of Improvements. Declarant and its agents, employees, and contractors shall have the right to complete improvements and otherwise perform work that is: (i) authorized by this Declaration, including, without limitation, Section 11; (ii) indicated on the Plans; (iii) authorized by building permits; (iv) provided for under any unit sales agreement between Declarant and a Unit purchaser; (v) necessary to satisfy any express or implied warranty obligation of Declarant; or (vi) otherwise authorized or required by law.

29.2 Sales Facilities of Declarant. Declarant and its agents, employees, and contractors shall be permitted to maintain during the period of sale of the Condominium upon such portion of the Property as Declarant may choose, such facilities as in the sole opinion of Declarant may be required, convenient, or incidental to the construction or sale of Units and appurtenant interests, including but not limited to, a business office, storage area, signs, model units, sales office, construction office, and parking areas for all prospective purchasers of

Declarant. The provisions of this Section are subject to the provisions of other state law and to local ordinances. The number, size, location, and relocation of such facilities shall be determined from time to time by Declarant in the exercise of its sole discretion; *provided*, that the maintenance and use of such facilities shall not unreasonably interfere with an Owner's use and enjoyment of the Unit and those portions of the Common Elements reasonably necessary to use and enjoy such Unit.

29.3 Termination of Declarant Rights. Except as otherwise provided in this Declaration, the special Declarant rights set forth in this Section 29.3 shall continue for so long as (i) Declarant is completing improvements which are within or may be added to this Condominium or (ii) Declarant owns any Units or any of the Additional Property; *provided*, that Declarant may voluntarily terminate any or all of such rights at any time by recording an amendment to this Declaration, which amendment specifies which right is thereby terminated.

29.4 Declarant's Easements. Declarant has a non-exclusive easement to, through, and over the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising special Declarant rights, whether arising under the Act or reserved in this Declaration.

29.5 Right of Approval. Declarant shall have the right to approve amendments proposed by the Owners to this Declaration, the Bylaws, the Plans, and the Rules and Regulations for so long as Declarant owns a Unit or for 10 years from the date of the Turnover Meeting, whichever is latest.

29.6 Right of Review. Upon reasonable advance notice to the Board, Declarant shall have the perpetual right to review all inspection and maintenance records of the Association, including, without limitation, changes to the suggested maintenance schedule prepared by Declarant, if any. In addition, upon request from Declarant, the Board shall provide Declarant at Declarant's cost copies of all inspection reports, proposed plans for alterations and copies of all warranty claims. As provided in Section 7.6 of the Bylaws, the Board shall provide Declarant with copies of submissions for alteration requests, advance notice of the Board's inspections of such alterations, and an opportunity for Declarant, its contractors or agents to accompany the Board's professional advisors on any such inspection.

30. Miscellaneous.

30.1 Severability. Each provision of this Declaration and the Bylaws shall be deemed independent and severable, and the validity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision of this Declaration or the Bylaws.

30.2 No Impairment. The creation of this Condominium shall not be impaired and title to the Unit and Common Elements shall not be rendered unmarketable or otherwise affected by reason of any insignificant failure of this Declaration or the Plans or any amendment thereto to comply with the Act.

30.3 No Partition. Except where permitted by the Act, the Common Elements are not subject to partition, and any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of interest in the Common Elements made without the Unit to which that interest is allocated is void.

30.4 No Waiver of Strict Performance. The failure of the Board in any one or more instances to insist upon the strict performance of this Declaration, or of the Bylaws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or relinquishment for the future of such term, covenant, condition, or restriction, but such term, covenant, condition, or restriction shall remain in full force and effect. The receipt by the Board of any assessment from an Owner, with knowledge of any such breach, shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.

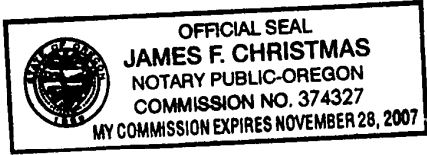
30.5 Liability for Utility Failure, Etc. Except to the extent covered by insurance obtained by the Board pursuant to this Declaration and the Bylaws, neither the Association nor the Board nor Declarant shall be liable for: (i) any failure of any utility or other service to be obtained and paid for by the Board; (ii) injury or damage to person or property caused by the elements, or (iii) inconvenience or discomfort resulting from any action taken to comply with any law, ordinance, or orders of a governmental authority. No diminution or abatement of common expense assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

30.6 Rule Against Perpetuities. The rule against perpetuities may not be applied to defeat any provisions of this Declaration or the Bylaws or Rules and Regulations.

30.7 Transfer of Declarant's Powers. Declarant, at any time in the exercise of its sole discretion, may sell, assign, transfer, encumber, or otherwise convey to any person, upon such terms and conditions as Declarant may determine, all of Declarant's rights, powers, privileges, and authority arising hereunder by virtue of Declarant's capacity as Declarant (which rights, powers, privileges, and authority are in addition to those arising from Declarant's ownership of one or more Units).

30.8 Sound Transmission Disclosure. Where condominium units are built either above or below each other, or side by side, it is normal to experience some transmissions of sound between those units from music, heels on noncarpeted floors, water traveling in drains, cupboard doors, elevators, and similar causes. On occasion these sounds are heard in normal conditions with typical noise levels. Owners should expect some transmission of sound between units, common elements or from outside of the Condominium. Declarant makes no warranty regarding soundproofing of units and transmission of sounds between units, common elements or from outside of the Condominium shall not be considered a construction defect.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed this 16th day of August, 2005.



UNIVERSITY PARK PROPERTY LLC, a
Delaware limited liability company

By: Harding Park, Inc., a Delaware corporation,
its sole member

By: [Signature]
Eric Bell, Vice President

STATE OF OREGON)
) ss.
County of MULTNOMAH)

This instrument was acknowledged before me on August 16th, 2005 by Eric Bell, the Vice President of Harding Park, Inc., a Delaware corporation and the sole member of University Park Property LLC, a Delaware limited liability company, on behalf of and as the act and deed of said limited liability company.

[Signature]
Notary Public for OREGON
My Commission Expires: November 28, 2007

August The foregoing Declaration is approved pursuant to ORS 100.110 this 30th day of August, 2005, and in accordance with ORS 100.110(7), this approval shall automatically expire if this Declaration is not recorded within two (2) years from this date.

SCOTT W. TAYLOR
Oregon Real Estate Commissioner

By: [Signature]
Brian DeMarco

[Signature] 9/1/05
County Assessor

[Signature] 9/1/05
County Tax Collector

EXHIBIT A

Property Description

The Premises are in MULTNOMAH County and are described as follows:

Situated in the northeast one-quarter of section 4, T.1S, R.1E, WM, City of Portland, Multnomah County, Oregon, said lands being Lots 1-8, Block 203, "City of Portland", a recorded plat in Multnomah County that at the initial point I set a brass screw with ¾-inch brass washer inscribed "Otak Inc.", said point being the northeast corner of said Block 203, "City of Portland" and bearing S.22°21'17"W., 260.00 feet from a found brass screw with a ¾-inch brass washer inscribed "CCI LS 2276" at the northeast corner of Block 204, said "City of Portland". From said initial point I ran S.22°21'17"W. along the easterly line of said Block 203, a distance of 200.00 feet to the southeast corner thereof; thence N.67°38'43"W. along the southerly line of said Block 203, a distance of 200.00 feet to the southwest corner thereof; thence N.22°21'17"E. along the westerly line of said Block 203, a distance of 200.00 feet to the northwest corner thereof; thence S.67°38'43"E. along the northerly line of said Block 203, a distance of 200.00 feet to the initial point.

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Interest in Common Elements</u>
C1	1,384	1.46%
C2	645	0.68%
C3	877	0.93%
C4	2,621	2.77%
101	482	0.51%
102	597	0.63%
103	597	0.63%
104	879	0.93%
105	597	0.63%
106	597	0.63%
107	855	0.90%
108	822	0.87%
109	597	0.63%
110	597	0.63%
111	822	0.87%
112	879	0.93%
113	597	0.63%
114	597	0.63%
115	597	0.63%
116	597	0.63%
117	597	0.63%
118	828	0.87%
119	727	0.77%
201	482	0.51%
202	597	0.63%
203	597	0.63%
204	889	0.94%
205	597	0.63%
206	597	0.63%
207	860	0.91%
208	827	0.87%
209	597	0.63%
210	597	0.63%
211	827	0.87%
212	889	0.94%
213	597	0.63%
214	597	0.63%
215	597	0.63%
216	597	0.63%
217	597	0.63%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
218	828	0.87%
219	727	0.77%
220	397	0.42%
221	879	0.93%
222	822	0.87%
223	597	0.63%
224	822	0.87%
225	822	0.87%
226	597	0.63%
227	630	0.66%
228	822	0.87%
229	879	0.93%
230	597	0.63%
231	597	0.63%
232	482	0.51%
301	482	0.51%
302	597	0.63%
303	597	0.63%
304	889	0.94%
305	597	0.63%
306	597	0.63%
307	860	0.91%
308	827	0.87%
309	597	0.63%
310	597	0.63%
311	827	0.87%
312	889	0.94%
313	597	0.63%
314	597	0.63%
315	597	0.63%
316	597	0.63%
317	597	0.63%
318	828	0.87%
319	727	0.77%
320	397	0.42%
321	889	0.94%
322	827	0.87%
323	597	0.63%
324	827	0.87%
325	827	0.87%
326	597	0.63%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
327	630	0.66%
328	827	0.87%
329	889	0.94%
330	597	0.63%
331	597	0.63%
332	482	0.51%
401	482	0.51%
402	597	0.63%
403	597	0.63%
404	1,503	1.59%
406	597	0.63%
407	860	0.91%
408	827	0.87%
409	597	0.63%
410	597	0.63%
411	827	0.87%
412	1,503	1.59%
414	597	0.63%
415	597	0.63%
416	597	0.63%
417	597	0.63%
418	828	0.87%
419	727	0.77%
420	397	0.42%
421	889	0.94%
422	827	0.87%
423	597	0.63%
424	827	0.87%
425	827	0.87%
426	597	0.63%
427	630	0.66%
428	827	0.87%
429	889	0.94%
430	597	0.63%
431	597	0.63%
432	482	0.51%
521	1,300	1.37%
522	827	0.87%
523	597	0.63%
524	827	0.87%
525	827	0.87%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
526	597	0.63%
527	630	0.66%
528	613	0.65%
529	1,103	1.16%
530	597	0.63%
531	597	0.63%
532	482	0.50%
P1	149	0.01%
P2	160	0.01%
P3	157	0.01%
P4	157	0.01%
P5	160	0.01%
P6	149	0.01%
P7	148	0.01%
P8	148	0.01%
P9	131	0.01%
P10	131	0.01%
P11	131	0.01%
P12	131	0.01%
P13	131	0.01%
P14	131	0.01%
P15	131	0.01%
P16	131	0.01%
P17	140	0.01%
P18	175	0.01%
P19	175	0.01%
P20	175	0.01%
P21	175	0.01%
P22	157	0.01%
P23	157	0.01%
P24	157	0.01%
P25	163	0.01%
P26	175	0.01%
P27	172	0.01%
P28	128	0.01%
P29	131	0.01%
P30	131	0.01%
P31	128	0.01%
P32	128	0.01%
P33	131	0.01%
P34	131	0.01%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
P35	128	0.01%
P36	128	0.01%
P37	131	0.01%
P38	131	0.01%
P39	128	0.01%
P40	172	0.01%
P41	175	0.01%
P42	163	0.01%
P43	180	0.01%
P44	177	0.01%
P45	177	0.01%
P46	180	0.01%
P47	168	0.01%
P48	140	0.01%
P49	180	0.01%
P50	177	0.01%
P51	132	0.01%
P52	135	0.01%
P53	135	0.01%
P54	132	0.01%
P55	177	0.01%
P56	180	0.01%
P57	167	0.01%
P58	132	0.01%
P59	135	0.01%
P60	135	0.01%
P61	132	0.01%
P62	177	0.01%
P63	180	0.01%
P64	177	0.01%
P65	132	0.01%
P66	135	0.01%
P67	135	0.01%
P68	132	0.01%
P69	132	0.01%
P70	135	0.01%
P71	135	0.01%
P72	132	0.01%
P73	132	0.01%
P74	132	0.01%
P75	132	0.01%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
P76	135	0.01%
P77	135	0.01%
P78	132	0.01%
P79	177	0.01%
P80	180	0.01%
P81	177	0.01%
P82	177	0.01%
P83	180	0.01%
P84	177	0.01%
P85	177	0.01%
P86	180	0.01%
P87	177	0.01%
P88	177	0.01%
P89	180	0.01%
P90	177	0.01%
P91	177	0.01%
P92	180	0.01%
P93	177	0.01%
P94	177	0.01%
P95	180	0.01%
P96	177	0.01%
P97	132	0.01%
P98	135	0.01%
P99	144	0.01%
P100	144	0.01%
P101	153	0.01%
P102	153	0.01%
P103	153	0.01%
P104	144	0.01%
P105	144	0.01%
P106	150	0.01%
P107	125	0.01%
P108	127	0.01%
P109	127	0.01%
P110	125	0.01%
P111	125	0.01%
P112	127	0.01%
P113	144	0.01%
P114	170	0.01%
P115	165	0.01%
P116	123	0.01%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
P117	127	0.01%
P118	127	0.01%
P119	123	0.01%
P120	148	0.01%
P121	153	0.01%
S1	21	0.01%
S2	40	0.01%
S3	30	0.01%
S4	23	0.01%
S5	15	0.01%
S6	15	0.01%
S7	15	0.01%
S8	15	0.01%
S9	15	0.01%
S10	15	0.01%
S11	63	0.01%
S12	31	0.01%
S13	21	0.01%
S14	40	0.01%
S15	30	0.01%
S16	23	0.01%
S17	15	0.01%
S18	15	0.01%
S19	15	0.01%
S20	15	0.01%
S21	15	0.01%
S22	15	0.01%
S23	12	0.01%
S24	12	0.01%
S25	12	0.01%
S26	12	0.01%
S27	33	0.01%
S28	12	0.01%
S29	12	0.01%
S30	10	0.01%
S31	11	0.01%
S32	21	0.01%
S33	40	0.01%
S34	30	0.01%
S35	23	0.01%
S36	15	0.01%

EXHIBIT B
Allocation of Interest in Common Elements

<u>Unit No.</u>	<u>(Square Feet)</u>	<u>Interest in Common Elements</u>
S37	15	0.01%
S38	15	0.01%
S39	15	0.01%
S40	15	0.01%
S41	15	0.01%
S42	21	0.01%
S43	40	0.01%
S44	30	0.01%
S45	23	0.01%
S46	15	0.01%
S47	15	0.01%
S48	15	0.01%
S49	15	0.01%
S50	15	0.01%
S51	15	0.01%
S52	12	0.01%
S53	12	0.01%
S54	12	0.01%
S55	12	0.01%
S56	12	0.01%
S57	12	0.01%
S58	10	0.01%
S59	11	0.01%
S60	37	0.01%
S61	167	0.01%
S62	<u>51</u>	<u>0.01%</u>
Total:		100.00%

EXHIBIT C-1

Listing of Retail, Residential, Parking, Storage Unit and Fireplace Expenses

[See Attached]

**UNIVERSITY PARK CONDOMINIUMS
INITIAL OPERATING BUDGET
PROPOSED 2005**

CMI/10/UPC

CODE	INCOME	INITIAL RESIDENTIAL ONLY MONTHLY BUDGET	INITIAL RESIDENTIAL & RETAIL MONTHLY BUDGET	INITIAL COMBINED MONTHLY BUDGET	INITIAL ANNUAL BUDGET
5000	HOMEOWNERS FEES	3,218.00	30,220.00	33,438.00	401,256.00
	TOTAL HOA FEE	3,218.00	30,220.00	33,438.00	401,256.00
	EXPENSE ITEM				
	UTILITIES				
6060	ELECTRIC	0.00	2,815.00	2,815.00	33,780.00
6090	GARBAGE	700.00	0.00	700.00	8,400.00
6105	GAS	0.00	1,150.00	1,150.00	13,800.00
6150	SEWER	0.00	3,090.00	3,090.00	37,080.00
6180	TELEPHONE	160.00	80.00	240.00	2,880.00
6195	WATER	0.00	1,030.00	1,030.00	12,360.00
	MAINTENANCE & REPAIR				
6465	ELEVATOR	675.00	0.00	675.00	8,100.00
6495	FIRE PROTECTION	0.00	250.00	250.00	3,000.00
6511	CARPET CLEANING	150.00	0.00	150.00	1,800.00
6525	GARAGE DOORS	0.00	250.00	250.00	3,000.00
6540	GUTTER CLEANING	0.00	65.00	65.00	780.00
6555	HVAC	0.00	420.00	420.00	5,040.00
6585	JANITORIAL/SUPPLIES	0.00	4,500.00	4,500.00	54,000.00
6645	GARAGE CLEANING	0.00	250.00	250.00	3,000.00
6675	PEST CONTROL	0.00	50.00	50.00	600.00
6690	BUILDING MAINTENANCE	0.00	2,000.00	2,000.00	24,000.00
6735	ROOF REPAIR	0.00	50.00	50.00	600.00
6765	SECURITY GUARD SERVICE	0.00	300.00	300.00	3,600.00
6782	SECURITY MONITORING	0.00	30.00	30.00	360.00
6885	WINDOW WASHING	0.00	820.00	820.00	9,840.00
7630	IRRIGATION	50.00	0.00	50.00	600.00
7675	LANDSCAPE	550.00	0.00	550.00	6,600.00
8410	FOUNTAIN	50.00	0.00	50.00	600.00
8485	SPA CHEMICALS & SUPPLIES	70.00	0.00	70.00	840.00
	ADMINISTRATION & INSURANCE				
7105	ASSOCIATION OPERATIONS	0.00	500.00	500.00	6,000.00
7120	CONSULTANTS	0.00	600.00	600.00	7,200.00
7225	INSURANCE	0.00	1,617.00	1,617.00	19,404.00
7255	LEGAL	0.00	75.00	75.00	900.00
7285	MANAGEMENT EXPENSE	0.00	50.00	50.00	600.00
7300	MANAGEMENT FEE	0.00	2,850.00	2,850.00	34,200.00
7465	TAXES, LICENSE, FEES & AUDITS	35.00	290.00	325.00	3,900.00
	TOTAL FROM OPERATIONS	2,440.00	23,132.00	25,572.00	306,864.00
1790	GENERAL OPERATING CONTINGENCY	171.00	1,619.00	1,790.00	21,480.00
1908	REPLACEMENT RESERVES	607.00	5,469.00	6,076.00	72,912.00
	TOTAL OPERATIONS & RESERVES	\$ 3,218.00	\$ 30,220.00	\$ 33,438.00	\$ 401,256.00

These projections are subject to increase or decrease to reflect changes in operating policies, and/or level of service, inflation or other causes. These projections are only estimates, prepared with due care.

EXHIBIT D

Bylaws of University Park Condominiums Owners' Association

[See Attached]

EXHIBIT C-4
Allocation of Fireplace Expense

<u>Unit No.</u>	<u>Number of Fireplaces</u>
402	1
403	1
404	2
406	1
407	1
408	1
409	1
410	1
411	1
412	2
414	1
415	1
416	1
417	1
521	2
522	1
523	1
524	1
525	1
526	1
527	1
529	1
530	1
531	<u>1</u>
Total:	27

EXHIBIT C-3
Allocation of Residential Expense

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Residential Expense</u>
528	613	0.70%
529	1,103	1.26%
530	597	0.68%
531	597	0.68%
532	<u>482</u>	<u>0.55%</u>
Totals:	87,489	100.00%

EXHIBIT C-3
Allocation of Residential Expense

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Residential Expense</u>
330	597	0.68%
331	597	0.68%
332	482	0.55%
401	482	0.55%
402	597	0.68%
403	597	0.68%
404	1,503	1.72%
406	597	0.68%
407	860	0.98%
408	827	0.95%
409	597	0.68%
410	597	0.68%
411	827	0.95%
412	1,503	1.72%
414	597	0.68%
415	597	0.68%
416	597	0.68%
417	597	0.68%
418	828	0.95%
419	727	0.83%
420	397	0.45%
421	889	1.02%
422	827	0.95%
423	597	0.68%
424	827	0.95%
425	827	0.95%
426	597	0.68%
427	630	0.72%
428	827	0.95%
429	889	1.02%
430	597	0.68%
431	597	0.68%
432	482	0.55%
521	1,300	1.49%
522	827	0.95%
523	597	0.68%
524	827	0.95%
525	827	0.95%
526	597	0.68%
527	630	0.72%

EXHIBIT C-3
Allocation of Residential Expense

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Residential Expense</u>
222	822	0.94%
223	597	0.68%
224	822	0.94%
225	822	0.94%
226	597	0.68%
227	630	0.72%
228	822	0.94%
229	879	1.00%
230	597	0.68%
231	597	0.68%
232	482	0.55%
301	482	0.55%
302	597	0.68%
303	597	0.68%
304	889	1.02%
305	597	0.68%
306	597	0.68%
307	860	0.98%
308	827	0.95%
309	597	0.68%
310	597	0.68%
311	827	0.95%
312	889	1.02%
313	597	0.68%
314	597	0.68%
315	597	0.68%
316	597	0.68%
317	597	0.68%
318	828	0.95%
319	727	0.83%
320	397	0.45%
321	889	1.02%
322	827	0.95%
323	597	0.68%
324	827	0.95%
325	827	0.95%
326	597	0.68%
327	630	0.72%
328	827	0.95%
329	889	1.02%

EXHIBIT C-3
Allocation of Residential Expense

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Residential Expense</u>
101	482	0.55%
102	597	0.68%
103	597	0.68%
104	879	1.00%
105	597	0.68%
106	597	0.68%
107	855	0.98%
108	822	0.94%
109	597	0.68%
110	597	0.68%
111	822	0.94%
112	879	1.00%
113	597	0.68%
114	597	0.68%
115	597	0.68%
116	597	0.68%
117	597	0.68%
118	828	0.95%
119	727	0.83%
201	482	0.55%
202	597	0.68%
203	597	0.68%
204	889	1.02%
205	597	0.68%
206	597	0.68%
207	860	0.98%
208	827	0.95%
209	597	0.68%
210	597	0.68%
211	827	0.95%
212	889	1.02%
213	597	0.68%
214	597	0.68%
215	597	0.68%
216	597	0.68%
217	597	0.68%
218	828	0.95%
219	727	0.83%
220	397	0.45%
221	879	1.00%

EXHIBIT C-2
Allocation of Retail Expense

<u>Unit No.</u>	<u>Area (Square Feet)</u>	<u>Allocation of Retail Expense</u>
C1	1,384	25.04%
C2	645	11.67%
C3	877	15.87%
C4	<u>2,621</u>	<u>47.42%</u>
Totals:	5,527	100.00%

BYLAWS
OF
UNIVERSITY PARK CONDOMINIUMS OWNERS' ASSOCIATION

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BYLAWS
OF
UNIVERSITY PARK CONDOMINIUMS OWNERS' ASSOCIATION

1. GENERAL PROVISIONS.

1.1 Identity. University Park Condominiums Owners' Association, a nonprofit corporation organized under the laws of the State of Oregon, the Articles of Incorporation of which were filed in the Office of the Oregon Corporation Commissioner on the 16th day of August, 2005 (the "Association"), has been organized for the purpose of administering the operation and management of University Park Condominiums (the "Condominium"), in accordance with the terms of these Bylaws. The Condominium was established by University Park Property LLC, a Delaware limited liability company (the "Declarant"), in accordance with the provisions of ORS Chapter 100 (the "Act"). The Condominium is located upon property in Multnomah County, Oregon, as more particularly described in the Declaration of Condominium Ownership for University Park Condominiums (the "Declaration"), which is being recorded simultaneously herewith in the records of Multnomah County, Oregon.

1.2 Bylaws Subject to Other Documents. The provisions of these Bylaws are applicable to the Condominium and are expressly subject to the terms, provisions, and conditions contained in the Articles of Incorporation of the Association (the "Articles") and in the Declaration.

1.3 Defined Terms. All defined terms used in these Bylaws and not specifically defined herein shall have the meaning given such terms in the Declaration.

1.4 Applicability. All Owners; tenants and occupants of any Unit; and their respective agents, servants, invitees, licensees, and employees that use the Condominium, or any part thereof, are subject to these Bylaws, and all rules and regulations thereunder as promulgated from time to time.

1.5 Office. The office of the Association shall be at 1500 SW Park Avenue, or at any other place within Portland, Oregon designated by the Association.

2. MEETINGS OF OWNERS.

2.1 Administrative Control. Notwithstanding any other provisions of these Bylaws, until the Turnover Meeting, the Declarant shall have the powers and authorities reserved to the Declarant in Section 21 of the Declaration.

2.2 Transitional Committee. Unless the Turnover Meeting has been held, the Declarant shall call a meeting of the Owners within 60 days after the conveyance to persons other than the Declarant of 50 percent of all 311 Units. Notice of the meeting shall be given as provided in Section 2.7 to each Owner at least 10 but not more than 50 days prior to the meeting. The notice shall state the purpose, time, and place of the meeting. If the meeting is not called by the Declarant within the time specified, the meeting may be called and notice given by any Owner. If at the meeting the Owners other than the Declarant fail to select a transitional committee (the

“Transitional Committee”), the Declarant shall have no further responsibility to form such a committee. The Transitional Committee shall be advisory only and shall consist of two or more members selected by Owners other than the Declarant and shall not include more than one representative of the Declarant. The members of the Transitional Committee shall serve until the Turnover Meeting. The Transitional Committee shall function to ease the transition from control of the administration of the Association by the Declarant to control by the Owners. The Transitional Committee shall have access to the information, documents, and records that the Declarant must turn over to the Owners pursuant to Section 2.3.

2.3 Turnover Meeting. The Turnover Meeting, which shall constitute the initial meeting of the Association, shall be called by the Declarant within 90 days of the expiration of the period of Declarant’s administrative control described in Section 21 of the Declaration. The Declarant shall give notice (as provided in Section 2.7) of the Turnover Meeting to each Owner at least 10 but not more than 50 days prior to the meeting. The notice shall state the purpose, time, and place of the meeting. If the meeting is not called by the Declarant, the meeting may be called and notice given by any Owner or by any first Mortgagee of a Unit. At the Turnover Meeting, the Declarant shall relinquish control of the administration of the Association to the Owners and the latter shall assume control; the Owners shall elect a board of directors as set forth in these Bylaws; and the Declarant shall deliver to the Association the items specified in Section 100.210(5) of the Act. During the three-month period following the Turnover Meeting, the Declarant or an informed representative thereof shall be available to meet with the Board on at least three mutually acceptable dates to review the documents delivered pursuant to Section 100.210(5)(3) of the Act. If the Declarant has complied with the terms of Section 100.210 of the Act, then, unless the Declarant otherwise has sufficient voting rights as an Owner to control the Association, the Declarant shall not be responsible for the failure of the Owners to comply with the provisions of Section 100.210(4) of the Act, and the Declarant shall be relieved of any further responsibility for the administration of the Association except as an Owner for any unsold Unit.

2.4 Annual Meetings. In the twelfth month following the month in which the Turnover Meeting is held, the first annual meeting of Owners shall be held. At such meeting, the five (5) incumbent directors of the Association (any director of the Association, a “Director”) elected at the Turnover Meeting shall resign and five directors (who may have previously served as Directors) shall be elected by the Owners in accordance with these Bylaws. Thereafter, annual meetings shall be held in the same month as the initial annual meeting or in the month following, at such hour and on such date as the Chairperson of the Board of Directors (the “Chairperson”) may designate or, if the Chairperson fails to designate such date by the last day of the first month in which the meeting may be held, the meeting shall be held on the second Wednesday of the second month in which the meeting may be held, unless such date shall be a legal holiday, in which event the meeting shall be held on the next succeeding business day. At such meetings, the Owners shall elect Directors to fill vacancies or to succeed retiring Directors as provided in Article 3 of these Bylaws and shall also transact such other business of the Association as may properly come before the meeting.

2.5 Place of Meetings. Meetings of the Owners shall be held at the principal office of the Association or at such other suitable and convenient place within the City of Portland, Oregon, as may be designated by the Board.

2.6 Special Meetings. It shall be the duty of the Chairperson to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed and presented to the secretary of the Association (the "Secretary") by the Owners of not less than 35 percent of the Primary Units stating the purpose of the meeting. The notice of any special meeting shall state the purpose, time, and place of such meeting. No business shall be transacted at a special meeting except as stated in the notice.

2.7 Notice. The Chairperson or Secretary shall give written notice of each meeting of the Association, at least 10 days but not more than 50 days prior to the date set for such meeting, stating the purpose, time, and place of the meeting and the items on the agenda (including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes or proposal to remove a director or officer of the Association), to each Owner of record (and to any first Mortgagee of record requesting such notice), at the address of such Owner as listed on the books of the Association, or at such other address as such Owner shall have designated by notice in writing to the Chairperson or Secretary at least 10 days prior to the giving of such notice by the Chairperson or Secretary. The giving of a notice in the manner provided in these Bylaws shall be considered notice properly served. Proof of the giving of such notice, whether by mail or personal delivery, shall be given by the affidavit of the person giving the notice. For a period of 10 years following recording of the Declaration, notices of meetings shall also be given to Declarant in the same manner as given to Owners, and Declarant or a representative of Declarant shall be entitled to attend such meetings. Notice of a meeting may be waived by any Owner before or after a meeting. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place.

2.8 Voting.

2.8.1 The total number of votes of all Owners shall be 129, which is equal to the total number of Primary Units in the Condominium, and each Owner shall be entitled, subject to the provisions of Section 20 of the Declaration (which grants Declarant five (5) times the votes for each Primary Unit owned by it prior to the expiration of Declarant's administrative control described in Section 21 of the Declaration) and to Section 3.1 of these Bylaws regarding the election of Directors, to a number of votes equal to the number of votes allocated to the Primary Units owned by such Owner. No voting rights shall be allocated to Parking Units or Storage Units. The Declarant shall be entitled to vote as the Owner of any Primary Units retained by the Declarant, and the Board shall be entitled to vote on behalf of any Primary Unit that has been acquired by or on behalf of the Association; provided, however, that the Board shall not be entitled to vote such Primary Units in any election of Directors. Notwithstanding the foregoing, the approval of a majority of the Owners of the Retail Units shall be required in order to pass a vote on a matter adversely impacting the rights or privileges of the Owners of the Retail Units.

2.8.2 If an Owner is in default under a first Mortgage on its Unit for 60 consecutive days or more and the Mortgage instrument signed by the Owner provides for such a pledge upon default, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Unit Owner has pledged his or her or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, or in the event the record Owner or Owners have otherwise pledged their vote regarding special matters to a Mortgagee under a duly recorded Mortgage, only the vote of such Mortgagee or vendor will be recognized in regard to the special matters upon which the vote is so pledged, if a

copy of the instrument with this pledge has been filed with the Board. Amendments to this subsection shall only be effective upon the written consent of all the voting Owners and their respective Mortgagees, if any.

2.8.3 If an Owner is in default for payment of assessments or other charges under these Bylaws, the Declaration or the Rules and Regulations for 60 consecutive days or more, the Owner's voting rights shall be suspended until such delinquencies are paid in full, including any interest, penalties or late charges due for such delinquency.

2.9 Proxies. A vote may be cast in person or by proxy. A proxy given by an Owner to any person who represents such Owner at meetings of the Association shall be in writing, signed by such Owner, may be given to any person or persons of legal age, 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 a Primary Unit by its Owner. An Owner may revoke such Owner's proxy only as provided in ORS 100.427. An Owner may pledge or assign such Owner's voting rights to a Mortgagee. In such case, the Mortgagee or its designated representative shall be entitled to receive all notices to which the Owner is entitled hereunder and to exercise the Owner's voting rights from and after the date 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.

2.10 Fiduciary, Corporate and Joint Owners. An executor, administrator, conservator, guardian or trustee may vote, in person or by proxy, at any meeting of the Owners with respect to any Primary Unit owned or held by him in such capacity, whether or not the same shall have been transferred to his or her name; provided, however, that he or she shall satisfy the Secretary that he or she is the executor, administrator, conservator, guardian or trustee holding such Unit in such capacity. Any person voting on behalf of a Primary Unit owned by a corporation or other entity shall provide the Secretary with written evidence, satisfactory to the Secretary, that such person is the duly constituted representative thereof. Unless a valid court order establishes the authority of a co-Owner to vote, whenever any Primary 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 of the Owners then present, in the absence of protest by a co-Owner. 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 the matter voted upon.

2.11 Quorum. At any meeting of the Association, the presence, in person or by proxy, of a number of Owners holding 34 percent or more of the voting power of the Association shall constitute a quorum. The subsequent joinder of an Owner in the action taken at a meeting, evidenced by that Owner 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 an Owner or Owners. If any meeting of the Association cannot be organized because of lack of a quorum, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present; provided, however, that a quorum shall not be necessary to proceed with and hold a binding Turnover Meeting.

2.12 Binding Vote. The vote of more than 50 percent of the voting power present (whether in person or by proxy) at a meeting at which a quorum is constituted shall be binding upon

all Owners for all purposes except where a higher percentage vote is required by law, the Declaration or these Bylaws.

2.13 Order of Business. The order of business at an annual meeting of the Association shall be:

- 2.13.1 Calling of the roll and certifying of proxies;
- 2.13.2 Proof of notice of meeting or waiver of notice;
- 2.13.3 Reading of minutes of preceding meeting;
- 2.13.4 Reports of officers;
- 2.13.5 Reports of committees, if any;
- 2.13.6 Election of directors;
- 2.13.7 Unfinished business;
- 2.13.8 New business; and
- 2.13.9 Adjournment.

2.14 Rules of Order. Unless other rules of order are adopted by resolution of the Association or the Board of Directors, all meetings of the Association shall be conducted according to the latest edition of *Roberts' Rules of Order* published by Robert's Rules Association.

3. BOARD OF DIRECTORS.

3.1 Number, Term and Qualification. The affairs of the Association shall be governed by the Board of Directors, which shall consist of from one (1) to three (3) persons prior to the Turnover Meeting and five (5) persons after the Turnover Meeting. Until the Turnover Meeting (as provided for in Section 2.3 of these Bylaws) shall have been held, the Board of Directors shall consist of the Director or Directors named in the Articles of Incorporation of the Association, subject to the appointment and removal powers of the Declarant described in Section 21 of the Declaration. At the Turnover Meeting, four (4) Directors shall be elected by all Owners other than the Owners of the Retail Units (the "Residential Owners") to serve until the first annual meeting of the Association; and one Director shall be elected by the vote of the Owners of the Retail Units (the "Retail Owners"). At the first annual meeting of the Association, two (2) Directors shall be elected by the Residential Owners to serve for a term of two (2) years, two (2) Directors shall be elected by the Residential Owners to serve for a term of one (1) year, and the Director elected by the votes of the Retail Owners shall serve for a term of two (2) years. Election by the Residential Owners shall be by plurality. At the expiration of the initial term of office of each Director elected at the first annual meeting of the Association, his or her or her successor shall be elected as provided in this Section 3.1 to serve for a term of two (2) years. The Directors shall hold office for the term herein fixed and until their successors have been qualified and elected. There shall be no limit on the number of successive terms a Director may serve on the Board of Directors, if elected as herein provided. After the Turnover Meeting, all Directors shall be Owners and no Director shall continue

to serve on the Board of Directors after he or she or she ceases to be an Owner. For purposes of this Section 3.1, the officers of any corporation, the trustee of any trust, the partners of any partnership, or the members or managers of any limited liability company that owns a Primary Unit shall be considered co-owners of any such Unit.

3.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts in furtherance of and pursuant to such powers and duties, except acts that by or under law, the Declaration or these Bylaws may not be performed by the Board of Directors or delegated to the Board of Directors by the Owners. The Board of Directors shall be governed by ORS 100.417 and applicable provisions of ORS 65.357, 65.361, 65.367, 65.369 and 65.377. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

3.2.1 Operation, care, inspection, upkeep, repair, replacement and maintenance of the Common Elements, Parking Units and Association Property.

3.2.2 Determination of the amounts required for operation, inspection, maintenance and other affairs of the Association, and the making of such expenditures.

3.2.3 Annually conducting a reserve study, or review and update any existing study, of the Common Elements to determine the reserve fund requirements, in accordance with ORS 100.175(4).

3.2.4 Collection of the common expenses from the Owners.

3.2.5 Provision for the designation, hiring and removal of employees and other personnel, including lawyers and accountants and personnel necessary for the maintenance, inspection, upkeep and repair of the Common Elements, Parking Units and Association Property; engagement of or contracting for the services of others; and making purchases for the inspection, maintenance, repair, replacement, administration, management and operation of the Condominium in accordance with Section 13.1 of the Declaration and delegating any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent); provided, however, that any management agreement, service contract, or employee contract entered into before the Turnover Meeting shall not be in excess of three (3) years, and shall be terminable by the Association without penalty upon not less than 30 days written notice to the other party given at any time; and provided further, that any agreement for management services entered into after the Turnover Meeting on behalf of the Association must be terminable by the Association for cause upon not more than 30 days' notice, must have a reasonable term not exceeding three years, and must be renewable with the consent of the Board of Directors and the manager. If an Eligible Mortgagee had previously required professional management, the Board of Directors may not terminate professional management and assume self-management unless the decision to do so is approved by at least one hundred percent (100%) of the total voting power of the Association, and approved by Eligible Mortgagees holding Mortgages on Units which have at least fifty-one percent (51%) of the voting rights of the Units subject to Eligible Mortgagee Mortgages.

3.2.6 Adoption and amendment of reasonable rules and regulations of the Condominium ("Rules and Regulations") pursuant to Section 7.28 hereof.

3.2.7 Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

3.2.8 Purchasing, leasing or otherwise acquiring, in the name of the Association or its designee, corporate or otherwise, on behalf of the Owners, Units offered for sale or lease or surrendered by their Owners to the Association.

3.2.9 Bidding for and purchasing Units at foreclosure sales (judicial or non-judicial) or other judicial or execution sales, in the name of the Association or its designee, corporate or otherwise, on behalf of all Owners upon the consent or approval of the Owners of not less than 75 percent of the voting power of the Association.

3.2.10 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 Owners.

3.2.11 Organizing corporations or limited liability companies to act as designees of the Association in acquiring title to or leasing Units by the Association on behalf of all Owners.

3.2.12 Obtaining and reviewing bonds and insurance, including officers' and directors' liability insurance, for the Association and the Condominium, including the Units, pursuant to the provisions of these Bylaws and in the case of such insurance, reviewing it at least annually.

3.2.13 Making repairs, additions and improvements to, or alterations of, the Condominium and repairs to and restoration of the Condominium in accordance with these Bylaws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or settlement under the threat thereof or to work that is urgently needed for life, safety or structural integrity reasons.

3.2.14 Making additions and improvements to, or alterations of, the Common Elements; provided, however, that no such project of a non-structural or non-capital nature may be undertaken by the Board of Directors if the total cost will exceed the amount of Five Thousand Dollars (\$5,000), unless the Owners have enacted a resolution authorizing the project by a vote of Owners holding at least 75 percent of the voting power of the Association, present in person or by proxy at a meeting of the Owners. This limitation shall not be applicable to repairs or maintenance undertaken pursuant to Subsection 3.2.1.

3.2.15 After giving written notice and an opportunity to be heard, levying reasonable fees, late charges, fines and/or interest against the Owners for violations of the Declaration, Bylaws, and/or Rules and Regulations, in addition to exercising any other rights or remedies provided for in the foregoing documents, based on a resolution of the Board of Directors that is delivered to each Unit, mailed to the mailing addresses designated in writing by the Owners, or mailed to the mailing address for each Unit.

3.2.16 Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep, and maintenance of the Common Elements, Parking

Units and Association Property; provided, however, that (i) the consent of Owners holding at least 75 percent of the voting power of the Association, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required for the borrowing of any sum in excess of an amount or amounts, aggregated for the calendar year in question, exceeding 15 percent of the estimated budget of the Association for that calendar year to cover the operation, care, upkeep and maintenance of the Common Elements, Parking Units and Association Property, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the Owner of such Unit.

3.2.17 Adjusting and settling claims under insurance policies and executing and delivering releases on settlement of such claims on behalf of all Owners, all holders of Mortgages or other liens on the Units, and all Owners of any other interest in the Condominium.

3.2.18 Filing all appropriate income tax returns.

3.2.19 Filing of the Annual Report described in Section 100.260 of the Act with the Real Estate Agency pursuant to Section 100.250 of the Act.

3.2.20 Charging and collecting a fee in connection with moving in to or out of a Primary Unit.

3.2.21 Enforcement by legal means of the provisions of the Act, the Declaration, these Bylaws and any Rules and Regulations adopted hereunder. Nothing in these Bylaws shall be construed as requiring the Association to take any specific action to enforce violations.

3.2.22 Establish, periodically update, and implement a Maintenance Plan that identifies those components of the Common Elements and Parking Units requiring periodic maintenance, including a maintenance manual defining how and when such maintenance should be performed and setting forth the estimated cost of such maintenance. The Maintenance Plan shall provide for not less than annual inspections of the Property for evidence of water intrusion or other needed repairs by a knowledgeable independent party or the property manager for the Association, and the Board shall reasonably address any matters revealed by the inspection. For a period of ten (10) years following recording of the Declaration, Declarant shall be notified prior to the inspections, shall have a right for Declarant or its employees or contractors to be present during the inspections and have a right to receive a copy of the inspection reports promptly upon request. The operating and reserve budgets of the Association shall take into account the costs of complying with the Maintenance Plan. Changes or updates to the Maintenance Plan should be based upon the advice of competent experts or consultants.

3.2.23 Limitation. The powers of the Board of Directors enumerated in these Bylaws shall be limited in that the Board of Directors shall have no authority to (i) acquire and pay for out of the maintenance fund of the Association any structural alterations or capital improvements of, or capital additions to, the Common Elements (other than for purposes of repairing, replacing or restoring portions of the Common Elements, subject to all the provisions of these Bylaws) requiring an expenditure in excess of an amount or amounts, aggregated for the calendar year in question, exceeding 10 percent of the estimated total budget of the Association for such calendar year, or (ii) enter into agreements having a term in excess of two years, except

agreements specifically authorized in these Bylaws, without, in each case, the prior approval of Owners holding at least 75 percent of the voting power of the Association.

3.3 Organizational Meeting. Within 30 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 organizational meeting at such place and time as shall have been fixed by the Directors at the meeting at which the election was held.

3.4 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 Chairperson 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 facsimile at least two days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting. For a period of 10 years following recording of the Declaration, notices of meetings shall also be given to Declarant in the same manner as given to Directors. All meetings of the Board of Directors shall be open to the Owners except that the following matters and any other matters permitted by the Act may be considered in executive session: (a) consulting with legal counsel regarding the rights and duties of the Association in connection with existing or potential litigation, or criminal matters; (b) dealing with personnel matters, including salary negotiations and discipline; (c) negotiation of contracts with third parties; and (d) collection of unpaid assessments pursuant to the Act. Except in the event of an emergency, the Board of Directors shall vote in an open meeting on whether to meet in executive session. If the Board of Directors votes to meet in executive session, the Chairperson shall announce the general nature of the action being considered and when and under what circumstances the deliberations can be disclosed to the Owners. The statement, motion, or decision to meet in executive session must be included in the minutes of the meeting. A contract or action considered in executive session does not become effective unless the Board, following the executive session, reconvenes in an open meeting and votes on the contract or action, which must be reasonably identified in the open meeting and included in the minutes. Such meetings may be conducted by telephonic communication or by other means authorized under ORS 100.420(2), except that if a majority of the Primary Units are principal residences of the occupants, then: (i) for other than emergency meetings, notice of each meeting of the Board of Directors shall be posted at a place or places on the Property at least three days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform the Owners of such meeting; and (ii) only emergency meetings of the Board of Directors may be conducted by telephonic communication or in a manner permitted by the Act. The meeting and notice requirements in ORS 100.420(1) may not be circumvented by chance or social meetings or by any other means, including, without limitation, e-mail communication. For purposes of this Section, "meeting" shall have the definition provided in Section 100.420(5) of the Act. Unless other rules of order are adopted by resolution of the Association or the Board of Directors, all meetings of the Board of Directors shall be conducted according to the latest edition *Robert's Rules of Order* published by Robert's Rules Association.

3.5 Waiver of Notice. Any member of the Board of Directors 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 member of the Board of Directors at any meeting of the Board of Directors shall constitute a waiver of notice of the time and place thereof, except where a Director attends the meeting for the sole purpose of objecting to the transaction of any

business because the meeting is not lawfully called or convened. If all the members of the Board of Directors are present at any meeting of the Board of Directors, however, no notice to Directors shall be required and any business may be transacted at such meeting.

3.6 Quorum. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the act of the Board of Directors; provided, however, that the approval of the director elected by the Owners of the Retail Units shall be necessary for the Board to take any action which would eliminate or impair the rights and privileges granted to the Owners of the Retail Units. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is present. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

3.7 Removal. At any regular or special meeting of the Owners, any one or more of the members of the Board of Directors elected by the Residential Owners may be removed with or without cause, but only by approval of at least a majority of the Residential Owners, notwithstanding the quorum provisions of Section 2.11, and a successor may then and there or thereafter be elected 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. The Director elected by the Retail Owners may be removed with or without cause at a meeting called by the Retail Owners by the vote of the Retail Owners, notwithstanding any quorum requirement, and a successor may then and there or promptly thereafter be elected to fill the vacancy thus created by the vote of the Retail Owners. The notice of any such meeting shall state that such removal is to be considered, and any Director elected by the Retail Owners whose removal has been proposed shall be given an opportunity to be heard at the meeting.

3.8 Resignation. Any Director may resign at any time by sending a written notice of such resignation to the office of the Association, addressed to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary.

3.9 Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a member pursuant to Section 3.8 shall, in the case of a vacancy relating to a Director elected by the Residential Owners, be filled by vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Any vacancy relating to a Director elected by the Retail Owners shall be filled by the vote of the Retail Owners held promptly after the occurrence of the vacancy. Each person so elected or appointed shall be a member of the Board of Directors for the remainder of the term of the member whose position was vacated and until a successor shall be elected by the vote of the Retail Owners at the next annual meeting of the Owners.

3.10 Compensation. No Director shall receive any compensation from the Association for acting in such capacity, but shall be reimbursed for his or her or her reasonable out-of-pocket expenses.

3.11 Liability and Indemnification of Directors, Officers, Manager or Managing Agent. To the fullest extent authorized by law and the Articles, the personal liability of each Director to the Association or its Owners for monetary damages for conduct as a Director shall be eliminated. Each Director and officer and the manager or managing agent, if any, shall be indemnified and held harmless by the Association, to the fullest extent permitted by law, from and against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon such person in connection with any proceeding to which he or she may be a party, or in which he or she 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. The foregoing rights of indemnification shall be in addition to and not exclusive of any and all other rights conferred on such persons under any agreement, vote of the Owners or otherwise.

3.12 Insurance. The Board of Directors shall comply with the insurance requirements contained in Article 9 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, the Board of Directors or the Owners.

3.13 Special Committees. The Board of Directors by resolution may designate one or more special committees, each committee to consist of three or more Owners that, to the extent provided in such resolution, shall have and may exercise the powers set forth in such resolution. Such special committee or committees shall have such name or names as may be determined from time to time by the Board of Directors. Such special committee shall keep regular minutes of their proceedings and report the same to the Board of Directors when required. The members of such special committee or committees designated shall be appointed by the Board of Directors or the Chairperson. The Board of Directors or the Chairperson may appoint Owners to fill vacancies on each of any special committees occasioned by death, resignation, removal, or inability to act for any extended period of time.

4. OFFICERS.

4.1 Designation. The principal officers of the Association shall be the Chairperson, the Secretary and a treasurer (the "Treasurer"), all of whom shall be elected by the Board of Directors. The Board of Directors may appoint a vice Chairperson (the "Vice Chairperson"), an assistant treasurer (an "Assistant Treasurer"), an assistant secretary (an "Assistant Secretary") and such other officers as in its judgment may be desirable. None of the officers need be Owners until the Board of Directors is elected by the Owners at the Turnover Meeting. Thereafter, all officers shall be Owners (or officers, directors, shareholders, partners, employees or beneficiaries, or members of the respective families, of Units owned by corporations, partnerships, fiduciaries or Mortgagees).

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

4.3 Removal. Upon the affirmative vote of a majority of the Board of Directors, any officer may be removed, either with or without cause, and his or her or her 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.

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

4.5 Vice Chairperson. The Vice Chairperson shall take the place of the Chairperson and perform his or her or her duties whenever the Chairperson shall be absent or unable to act. If neither the Chairperson nor the Vice Chairperson is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the Chairperson on an interim basis. The Vice Chairperson shall also perform such other duties as shall from time to time be prescribed by the Board of Directors or by the Chairperson.

4.6 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 or she shall attend to the giving and serving of all notices to the Owners and Directors and other notices required by law. He or she 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 Chairperson. In addition, the Secretary shall act as Vice Chairperson, taking the place of the Vice Chairperson and performing his or her or her duties whenever the Vice Chairperson is absent or unable to act, unless the Directors have appointed another Vice Chairperson.

4.7 Treasurer. The Treasurer shall be responsible 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 necessary for the preparation of all required financial data. He or she shall be responsible for the deposit of all funds and other valuable effects in such depositories as may from time to time be designated by the Board of Directors, and he or she shall disburse funds of the Association upon properly authorized vouchers. He or she shall in general 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.

4.8 Execution of Instruments. All agreements, contracts, deeds, leases and other instruments of the Association, shall be executed by such person or persons as may be designated by general or special resolution of the Board of Directors, including the execution of checks of up to Five Thousand Dollars (\$5,000) by the professional property management company for the Condominium, and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the Chairperson. All checks in excess of Five Thousand Dollars (\$5,000) shall be signed by the Treasurer, or in his or her or her absence or disability, by the Chairperson or any duly elected Assistant Treasurer. Notwithstanding the foregoing, all checks in excess of Five Thousand Dollars (\$5,000) shall require the signatures of at least two authorized signatories.

4.9 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 Owners. The Board of Directors may fix any reasonable compensation to be paid to the Secretary, Treasurer and any officers who are not also Directors.

5. BUDGET, EXPENSES AND ASSESSMENTS.

5.1 Budget. The Board of Directors shall from time to time, 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 Owner in the manner set forth in the Declaration. The budget shall provide for an adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be maintained, repaired or replaced on a periodic basis by the Association in accordance with Section 5.2 of these Bylaws. The budget shall also divide the common expenses into Retail Expenses, Residential Expenses, Parking Expenses, Storage Unit Expenses and Fireplace Expenses in accordance with Section 7.1 of the Declaration. If the Director elected by the Retail Owners objects to the budget, such Director shall present the basis for the objection to the Board of Directors, who shall consider the objection and prepare a revised budget. If the objecting Director rejects the revised budget, the previous budget shall be adopted, adjusted by any increase in the Consumer Price Index - All Items - for all urban consumers as published by the U.S. Bureau of Labor Statistics (or any comparable substitute index, if such shall be discontinued), the base year being 2005. The Board of Directors shall advise each Owner in writing of the amount of common expenses payable by him or her, and furnish a summary of each budget and amended budget on which such common expenses are based to all Owners and, if requested, to their Mortgagees, within 30 days after adoption of the budget. Failure to deliver a summary of any budget or amended budget to each Owner shall not affect the liability of any Owner for any such assessment. Nothing herein contained shall be construed as restricting the right of the Board of Directors to, at any time, in their sole discretion, levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management of the Condominium, or in the event of emergencies. Any budget for the Association prepared by Declarant or during the period of Declarant's administrative control of the Association pursuant to Section 21 of the Declaration shall be based on Declarant's reserve study, but such projection may vary substantially from the actual requirements of the Association for such period. **The reserve study assumes that the Board conducts normal, routine maintenance for the elements reserved for and that the Board is required to perform pursuant to this Declaration, the Bylaws and the Act. If the Board fails to perform required maintenance, the reserve fund may be inadequate at the time of the required replacement for one or more elements included in the reserve study.** After the Turnover Meeting, the Board of Directors shall be responsible, in its sole discretion, for preparation of the budget of the Association and shall not rely upon prior budgets or projections prepared by Declarant. The budget shall take into account the requirements of the Maintenance Plan adopted pursuant to Section 3.2.22.

5.2 Reserve Fund for Replacing Common Elements. Declarant shall conduct a reserve study as required by the Act and shall establish in the name of the Association a reserve fund for replacement of Common Elements that will normally require replacement in more than three (3) and fewer than 30 years, for significant future maintenance items as required by the Maintenance Plan established pursuant to Section 3.2.22 above, and exterior painting of Common

Elements, if any. The common expenses of the Condominium shall be calculated on the basis of expected replacement costs and life expectancy of the items comprising the Common Elements that will normally require replacement in more than three and fewer than 30 years, for significant future maintenance items as required by the Maintenance Plan established pursuant to Section 3.2.22 above, and exterior painting of Common Elements, if any, such that the reserve fund is reasonably expected to provide sufficient funds for replacement of such Common Elements. Declarant in establishing the reserve fund shall obtain and rely on a reserve study Common Elements assessments, but such projection may vary substantially from the actual requirements of the Association. Declarant may elect to defer payment of the assessments for the reserve fund with respect to a Unit until the time of conveyance of the Unit; provided that Declarant may not defer payment of such reserve assessments beyond the date of the Turnover Meeting, or, if no Turnover Meeting is held, the date the Owners assume administrative control of the Association. The Board of Directors shall administer the reserve fund and shall adjust at regular intervals, but no less than annually, the amount of the periodic payments into it to reflect changes in current replacement costs over time. The Board of Directors shall annually conduct a reserve study or review and update an existing reserve study of the Common Elements to determine reserve account requirements. The reserve study shall include all information required by the Act. Following the second year after the Turnover Meeting, the Association may by an affirmative vote of at least 75 percent of the Owners elect to reduce or increase future assessments for the reserve funds. In addition the Board of Directors' authority to do so, after the Turnover Meeting, the Association may, on an annual basis by unanimous vote of the Owners, elect not to fund the reserve account. Any funds established for any of the purposes mentioned in this Section shall be deemed to be a reserve fund notwithstanding that it may not be so designated by the Board of Directors. The amount of the reserve fund shall constitute an asset of the Association and shall not be distributed to any Owner except on termination of the Condominium and the Association. The reserve fund is to be used only for replacement of the Common Elements that will normally require replacement in more than three and fewer than 30 years, for significant future maintenance items as required by the Maintenance Plan established pursuant to Section 3.2.22 above, and for the painting of exterior painted surfaces of Common Elements, if any, and is to be kept separate from the assessments described in Section 5.4 of the Bylaws. After the Turnover Meeting, however, the Board of Directors may borrow amounts from the reserve fund to meet high seasonal demands on funds obtained from regular assessments or to meet other unexpected increases in expenses that will later be paid from special or regular assessments, if the Board of Directors has adopted a resolution, which may be an annual continuing resolution, authorizing the borrowing of funds. Not later than the adoption of the budget for the following year, the Board shall adopt by resolution a repayment plan providing for repayment of the borrowed funds within a reasonable period. Repayment of such amounts borrowed from the reserve fund shall include any interest that would otherwise have been earned on such amounts. Assessments under this Section 5.2 shall be allocated as described in Section 7.1 of the Declaration.

5.3 Determination of Common Expenses. Common expenses shall include:

5.3.1 Expenses of administration.

5.3.2 Cost of insurance or bonds obtained in accordance with these Bylaws.

5.3.3 A general operating reserve, sufficient to pay the amount of the deductible on any insurance policy held by the Association under Section 9.1.1.

5.3.4 Reserve for replacements and deferred maintenance and the cost of the reserve study, or its review and update.

5.3.5 Any deficit in common expenses for any prior period, and any accrued interest or late charges thereon.

5.3.6 The costs of establishing, updating and implementing the Maintenance Plan.

5.3.7 Utilities for the Common Elements and other utilities not separately metered or charged.

5.3.8 Services of any person or firm to act on behalf of the Owners in connection with any other matter where the respective interests of the Owners are deemed by the Board of Directors to be similar and nonadverse to each other.

5.3.9 Professional management services, landscaping, snow removal, waste removal (subject to the provisions of the Declaration relating thereto), painting, cleaning, outside window washing and inspection, maintenance, repair and replacement of the exterior of the structures within the Condominium and inspection, maintenance, decorating, repair and replacement of the Common Elements and Parking Units by the Association (but not including interior surfaces of Units, doors that provide the means of ingress and egress to and from a Primary Unit, which the respective Owners of such Primary Units shall paint, clean, decorate, maintain, and repair) and such furnishings and equipment for the Common Elements as the Board of Directors shall determine are necessary and proper, which the Board of Directors shall have the exclusive right and duty to acquire for the Common Elements.

5.3.10 Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments that the Board of Directors is required to secure or pay for, pursuant to the terms of the Declaration or these Bylaws or that in its opinion shall be necessary or proper for the inspection, maintenance and operation of the Condominium as a first-class Condominium or for the enforcement of these restrictions, and that the Board of Directors determines should be assessed to the Owners under Section 5.4.

5.3.11 Paving, resurfacing, or restriping of Parking Units.

5.3.12 The discharge of any mechanic's lien or other encumbrance levied against the entire Condominium or against the Common Elements or Association Property, rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board of Directors by reason of such lien or liens shall be specifically assessed to the responsible Owners.

5.3.13 Inspection, maintenance and repair of any Unit or Common Element if the Board of Directors determines that such inspection, maintenance or repair is necessary to protect the Common Elements or any other portion of the Property, and the Owner of such Unit (or the Owner responsible for maintenance of such Common Element, as applicable) has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the

necessity of such maintenance or repair delivered by the Board of Directors to such Owner, provided that the Board of Directors shall levy a special assessment against such Owner for the cost of such maintenance or repair.

5.3.14 Any other items properly chargeable as an expense of the Association, including, without limitation, those items described in the exhibits to the Declaration.

5.4 Assessment of Common Expenses. All Owners shall be obliged to pay on a monthly basis in advance common expenses assessed to them by the Board of Directors on behalf of the Association pursuant to these Bylaws and the Declaration, including amounts applicable to the reserve fund described in Section 5.2 of these Bylaws; provided, however, that such reserve assessments may be collected on a monthly, quarterly, or biannual basis, and at least annually, and may be assessed prospectively or in arrears. Assessments for Retail Expenses, Residential Expenses, Parking Expenses, Storage Unit Expenses and Fireplace Expenses shall be allocated in accordance with Section 7.1 of the Declaration. Assessments may not be waived due to limited use or nonuse of Common Elements. Declarant shall be assessed as the Owner of any unsold Unit, but such assessment shall be prorated to the date of sale of the Unit. Assessments shall commence in accordance with Section 7.1 of the Declaration. At the time of closing of the initial and each subsequent sale of each Primary Unit, the purchaser shall make the contribution described in Section 5.5.3 to the working capital fund. The Board of Directors, on behalf of the Association, shall assess the common expenses against the Owners from time to time, and at least annually, and shall take prompt action to collect from an Owner any common expense due that remains unpaid by him or her for more than 30 days from the due date for its payment (except as provided above for the Declarant).

5.5 Special Assessments.

5.5.1 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 Owners, and the proceeds of which shall be used only for the special capital improvements described in the resolution.

5.5.2 Other Reserve Trust Funds. The Board of Directors may also build up and maintain a reasonable reserve for contingencies and replacements not covered by Section 5.2 of these Bylaws, including, if applicable, a reserve fund for the Additional Reserve Contribution as provided for in Section 28.3 of the Declaration. Extraordinary expenditures not originally included in the annual estimate that may become necessary during the year may also be charged against such reserve. If the estimated cash requirement proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed to the Owners as provided in Section 7.1 of the Declaration. The Board of Directors shall serve notice of such further assessment on all Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the first monthly assessment of common expenses that is due more than 30 days after the delivery or mailing of such notice of further assessment.

5.5.3 Working Capital Fund. Declarant shall establish in the name of the Association a working capital fund for the Association. Amounts paid into this fund shall not be

considered advance payments of the monthly assessments for common expenses described in Section 5.4. At the time of closing of each sale of each Primary Unit, the purchaser of such Unit shall make an initial contribution to the working capital fund equal to two months of Association assessments for such Unit, but, in any event, not less than the amount that may have been contributed to the working capital fund on behalf of such Unit (or Units) by Declarant under this Section 5.5.3. At or prior to the Turnover Meeting, Declarant shall make a contribution to the working capital fund equal to two months of Association assessments for all Primary Units then existing but not yet conveyed to persons other than Declarant; provided, however, that the contribution by the initial purchaser of a Primary Unit described in the preceding sentence shall be paid to Declarant at the closing of such purchase in reimbursement of contributions made to the working capital fund by Declarant. At or prior to the Turnover Meeting, Declarant shall transfer the amount of the working capital fund to the Association for deposit in a segregated fund and administration in accordance with Section 5.5.2. During the period of administrative control described in Section 21 of the Declaration, Declarant shall not use any funds contained in the working capital fund to defray Declarant's expenses, contributions to reserves, or construction costs, or to compensate for any deficits in the operating budget of the Condominium.

5.6 Violation by Owners; Remedies. The violation of any Rule or Regulation or other determination duly adopted by the Board of Directors, or the breach of any covenant or provision contained in the Declaration or these Bylaws, shall give the Association the right: (i) to enter upon that part of the Condominium where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions so violated, and the Association, or its agents, shall not thereby be deemed guilty in any manner of trespass; provided, however, that the Association must institute legal proceedings before any item of construction may be altered or demolished in remedying such violation, and (ii) to enjoin, abate or remedy by appropriate legal proceedings the continuance of any breach. Any Owner aggrieved by such a violation shall also have the right, on behalf of the Association, to enjoin, abate, or remedy by appropriate legal proceedings any such violation and to recover its expenses in accordance with Section 11.1. All expenses of the Association in connection with such violation and such action or proceedings (including any action or proceeding brought on behalf of the Association), including engineering, architectural and other professional fees and costs, court costs and attorneys' fees and any other fees and expenses (including fees, fines, late charges and interest imposed pursuant to these Bylaws), and all damages, liquidated or otherwise, together with interest thereon at the rate provided in Section 7.3 of the Declaration until the amount outstanding is paid, shall be charged to and assessed against such defaulting Owner and shall be added to and deemed part of his or her or her respective share of the common expenses. The Association has a lien for all of the same upon the Units of such defaulting Owner and upon all of his or her or her additions and improvements thereto and upon all of his or her or her personal property located in such Units or elsewhere in the Condominium. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association. Any violations by an Owner of the Declaration, these Bylaws or any Rules and Regulations that are deemed by the Board of Directors to be a hazard to public health or safety may be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the offending Owner as a specific item, which shall be a lien against the offending Owner's Unit or Units with the same force and effect as if the charge were a part of the normal common expenses attributable to such Unit or Units.

5.7 Liability of Owners. An Owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his or her or her act, neglect or carelessness or by that of any member of his or her family, or his or her or their guests, employees, servants, invitees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing in these Bylaws, however, shall be construed to modify any waiver by insurance companies of rights of subrogation. The expense of any such maintenance, repair or replacement shall be charged to the responsible Owner as a specific item, which shall be a lien against such Owner's Unit or Units with the same force and effect as if the charge were a part of the normal common expenses attributable to such Owner's Unit or Units.

5.8 No Waiver. The failure of the Association or of an Owner to enforce any right, provision, covenant or condition that may be granted by any of the provisions of the Declaration, these Bylaws or any Rules or Regulations shall not constitute a waiver of the right of the Association or an Owner to enforce such right, provision, covenant or condition in the future.

5.9 Receiver. From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent assessments regarding a Unit that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Unit as and when due. If the rental is not paid, the receiver may obtain possession of the Unit, refurbish it for rental up to a reasonable standard for rental units in this type of Condominium, rent the Unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this Section, and a receiver shall not be appointed less than 90 days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Unit.

6. RECORDS AND AUDITS.

6.1 General Records. The Board of Directors and the managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and the managing agent or manager, minutes of the meetings of the Board of Directors and minutes of the meetings of the Association and contemporaneous written documentation of the Association's inspection, operation, care, upkeep, repair, replacement and maintenance of the Common Elements and Association Property. 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. The Association shall maintain within the State of Oregon a copy, suitable for duplication, of: (i) the Declaration, these Bylaws, the Rules and Regulations, the recorded plat(s) and any amendments or supplements thereto; (ii) the most recent annual financial statement of the Association described in Section 6.5 hereof; (iii) the current operating budget of the Association and reserve study; and (iv) all documents, information and records delivered to the Association at the Turnover Meeting. Such documents shall be available for inspection within the State of Oregon and upon written request, available for duplication by Owners, Mortgagees of Units, insurers and guarantors of such Mortgages, and prospective purchasers of Units during normal business hours. The Board of Directors shall retain

the documents required by 100.480(1) for the time period required by such statute. Records kept by or on behalf of the Association may be withheld from examination as permitted by the Act.

6.2 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 Owners, Mortgagees of Units, and insurers and guarantors of such Mortgages during normal business hours.

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

6.4 Payment of Vouchers. The Treasurer shall pay all vouchers up to Five Thousand Dollars (\$5,000) signed by the Chairperson, managing agent, manager or other person authorized by the Board of Directors. Any voucher in excess of Five Thousand Dollars (\$5,000) shall require the signature of the Chairperson and one other officer of the Association.

6.5 Reports and Audits. An audited annual financial statement of the Association, consisting of a balance sheet and income and expense statement for the preceding fiscal year, shall be rendered by the Board of Directors to all Owners, and to all Mortgagees of Units who have requested the same, within 90 days after the end of each fiscal year. Upon written request, any holder, insurer or guarantor of a first Mortgage shall be entitled to a copy of the audited financial statement for the immediately preceding fiscal year at the expense of the Association and shall be made available within 120 days after the end of such fiscal year.

6.6 Notice of Sale, Mortgage, Rental or Lease. Immediately upon the closing of any sale, Mortgage, rental or lease of any Unit, the Owner shall promptly inform the Secretary or manager of the name and address of the purchaser, Mortgagee, lessee, or tenant.

6.7 Statement of Assessments. Within 10 business days after receipt of a written request from an Owner or Owner's agent for the benefit of a prospective purchaser of such Owner's Unit(s), the Association shall provide a written statement detailing the amount of assessments due from the Owner and unpaid at the time the request was received, including regular and special assessments, fines and other charges, accrued interest, late payment charges; the percentage rate at which interest accrues on assessments not paid when due; and the percentage rate used to calculate the late payment charges or the amount of a fixed charge for late payment. The Association is not required to comply with the foregoing request if the Association has commenced litigation by filing a complaint against the Owner and the litigation is pending when the statement would otherwise be due.

7. OCCUPATION AND USE.

7.1 Rental. The Leasing or Renting of a Unit by its Owner shall be governed by the provisions of this Section 7.1. "Leasing or Renting" a Unit means the granting of a right to use or

occupy a Unit, for a specified term or indefinite term (with rent reserved on a periodic basis), whether in exchange for the payment of rent (that is, money, property or other goods or services of value) or not; but shall not mean and include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership. With the exception of a lender in possession of a Unit following a default in a Mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of a foreclosure, no Owner shall be permitted to Lease his or her Unit for hotel or transient purposes, which shall be defined as Renting for any period less than 30 days.

7.1.1 No Partial Leases. No Owner of a Residential, Parking or Storage Unit may Lease less than the entire Unit.

7.1.2 Written Leases. All Leasing, Rental or other occupancy agreements shall be in writing and be subject to this Declaration and the Bylaws (with a default by the tenant or occupant in complying with this Declaration and/or Bylaws constituting a default under the Lease, Rental or occupancy agreements).

7.1.3 Payments by Tenant or Lessee to Association. If a Unit is Rented by its Owner, the Board may collect, and the tenant, lessee or occupant shall pay over to the Board, any amounts due to the Association hereunder for such Unit, plus interest and costs if the same are in default over 30 days. The renter, lessee or occupant shall not have the right to question payment over to the Board. Such payment will discharge the lessee's, renter's or occupant's duty of payment to the Owner for rent, to the extent such payment is made to the Association, but will not discharge the liability of the Owner and the Unit under this Declaration for assessments and charges, or operate as an approval of the lease or occupancy agreement. The Board shall not exercise this power where a receiver has been appointed with respect to the Unit or its Owner, nor in derogation of any right which a Mortgage of such Unit may have with respect to such rents.

7.1.4 Identification of Tenants. Each Owner electing to rent or grant occupancy of his or her or her Unit shall, within 30 days after the rental or occupancy of such Unit, submit to the Board in writing the identity of and contact information for such tenant or occupant.

7.1.5 Limitation on Number of Units. At no time shall more than 30 percent of Primary Units be rented or occupied by non-Owner occupants. In order to insure that the foregoing limitation is not exceeded, Owners who intend to rent or grant occupancy rights to their Units shall provide 30 days written notice to the Board of their intentions. Each such Owner may proceed to rent or grant occupancy to non-Owner occupants for his or her unit unless such Owner is provided written notice of the Board's refusal to allow such rental or non-Owner occupancy because such rental or non-Owner occupancy would exceed the limitation of the foregoing sentence. In the event of such Board refusal, the requesting Owner shall not rent or grant non-Occupancy to any person until the Board notifies him or her that such rental or occupancy would not violate the limitation on non-Owner occupied Primary Units. The Board shall maintain a list of Owners who requested and were denied the ability to rent or grant non-Owner occupancy of their Primary Units, on a first-come, first-served basis and shall promptly notify each Owner on such list as it becomes permissible to rent or grant non-Owner occupancy of such Owner's Primary Unit. The Retail Units shall be deemed to be non-Owner occupied for purposes of this Section 7.1.

7.1.6 No Other Restrictions. Other than as stated in this Section 7.1, there is no restriction on the right of any Owner to Lease or otherwise Rent his or her Unit.

7.1.7 Declarant's Activities. The restrictions contained in this Section 7.1 shall not apply to the Leasing or Renting of Units owned by the Declarant.

7.2 Residential Use. Except as expressly permitted in these Bylaws or the Declaration, or as otherwise permitted by Board approval (with such conditions as the Board may establish), each Primary Unit (other than the Retail Unit) shall be occupied and used only as a private residence and for no other purpose. Without the prior consent of the Board of Directors, no more than six persons may live in a Primary Unit on a permanent basis. Nothing contained in the Declaration or Bylaws shall preclude an Owner from having a "home office" from which the Owner conducts some of his or her business affairs, so long as the Primary Unit is not generally open to the public and its use is limited to occasional visits by appointment-only customers, clients, or trade vendors. Except as permitted by the foregoing, no industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted in any Unit (other than as set forth in Section 7.3). Nothing contained in this Section 7.2 shall prevent the Declarant or Declarant's successors and assigns from completing the Units and the building they are in, maintaining Units as models for display purposes, and otherwise maintaining construction or sales offices displays and signs.

7.3 Commercial Use. The Retail Units may be used for commercial purposes, including, without limitation, restaurant use, but only if the commercial use of such Unit (i) does not cause objectionable noise to emanate out of or arise from such Units, (ii) does not produce objectionable odors, (iii) does not involve the storage of material amounts of highly combustible materials or other materials that would pose an unreasonable threat to the Condominium or well-being of the Owners, and (iv) is in compliance with zoning ordinances and all other applicable law. For purposes of construing the foregoing provisions, the term "objectionable noise" shall mean, without limitation and for the purpose of illustration, persistent loud noises made by (i) machinery or equipment, (ii) a gathering of disorderly persons, or (iii) music that can be heard or felt outside the Unit in which such music is played, and the term "objectionable odors" shall mean, without limitation and for the purpose of illustration, strong or unpleasant odors such as odors produced by (i) gas-powered or diesel-powered machinery or equipment, (ii) refuse or garbage, (iii) brewed or fermented liquids (other than coffee or similar beverages), or (iv) any number of chemicals or solvents. "Objectionable odors" shall not include cooking and food smells associated with restaurant use of the Retail Units. The word "objectionable" shall be construed in every instance in accordance with the sensibilities of an ordinary and reasonable person residing in attached condominiums with associated restaurant use in the Condominium in an urban environment. Except for uses under Leases existing of the Retail Units as of the date of these Bylaws, the Board shall have the sole authority, in its sole discretion, to determine whether the proposed commercial use is permitted under this Section. The determination of the Board of Directors with respect to the restrictions imposed by this Section 7.3 shall be final and conclusive, unless a special meeting for the purpose of reviewing the propriety of such decision is called pursuant to Section 2.6 and at that meeting, providing a quorum is certified, at least 75% of Owners present in person or by proxy vote to overturn the decision of the Board of Directors, in which case the written determination of the Owners at such meeting shall be final and conclusive.

7.4 Insurance Risk. No Unit or Common Elements shall be occupied or used by anyone in such a manner as to result in an increase in the cost of casualty or liability insurance on the Condominium or the risk of cancellation, or threat of cancellation, of any policy of insurance on the Condominium or any Unit or any part of the Common Elements.

7.5 Compliance. Each Owner shall comply and shall require all residents, servants, invitees, employees and visitors to his or her Unit to comply with the Act, the Declaration, these Bylaws and the Rules and Regulations adopted pursuant thereto.

7.6 Alterations. Except as otherwise permitted by these Bylaws or the Declaration, no Owner shall make or allow any structural alterations in or to any of his or her Units, or make or allow any change to the Common Elements, or maintain, decorate, paint, alter or repair any part of the Common Elements or allow others to do so, without the prior consent in writing of the Board of Directors. The Board of Directors shall consider the granting of such consent only after the Owner shall submit a complete set of architectural, mechanical, electrical or other relevant plans and specifications, which submission shall be reviewed by such architects and engineers as the Board of Directors shall deem appropriate. The Board shall provide a copy of such submission materials to the Declarant upon receipt. Whether or not such consent is granted, the Owner shall pay, upon demand and in advance, if so required by the Board of Directors, for such professional review. During the course of construction and after completion of same, the Board of Directors shall cause its professional advisors to inspect the work to ensure that it is performed in compliance with the approved plans. The costs of such inspection(s) shall be paid by the Owner to the Board of Directors, upon demand. The Board shall provide reasonable advance notice to Declarant of its inspection to Declarant and Declarant or its contractors or agents may, but shall not be obligated to, inspect the work concurrently with the Board's professional advisors. Prior to commencement of construction, the Owner shall provide the Board of Directors with copies of all relevant building permits and evidence of due compliance with any other requirements of government bodies having jurisdiction regarding such work. Except as otherwise permitted by Section 7.17, no signage or graffiti visible from the exterior of a Unit, window display, window attachment, or lighting directed from a Unit to its exterior shall be permitted without the prior written approval of the Board of Directors; provided that this sentence shall not apply to draperies, blinds, and similar window coverings. An Owner may have removed by the Association, at such Owner's expense, a part of the partition wall separating contiguous Primary Units owned by an Owner provided that (i) such removal shall not interfere with any structural support elements or loadbearing partitions or columns or with any pipes, wires, cables, conduits or ducts or other mechanical systems and (ii) such Owner agrees in writing to have the Association restore such wall at such Owner's expense in the event that the ownership of the Units is subsequently divided. Before proceeding with any approved alterations or improvements, the Owner shall, if the Board of Directors so requires, provide to the Association, at the expense of the Owner, a performance bond and a labor and materials bond, issued by a surety satisfactory to the Board of Directors, each in the amount of at least 125 percent of the estimated cost of such alterations or improvements or such other security as shall be satisfactory to the Association.

7.7 Occupants of Corporate Unit. Whenever a Residential Unit is owned in whole or in part by a partnership, corporation, trust, or other entity, such an entity shall designate at the closing of the acquisition of its ownership interest one particular person or family that shall be entitled to be the primary occupant of the Residential Unit. Only such designated person or family, its servants and non-paying guests may occupy such Residential Unit. A different person or family may be so designated as the named user of a Residential Unit by written notice to the Association; provided, however, that no more than two such changes may be made in any calendar year.

7.8 Non-Interference. Each Unit shall be used only for such purpose and to such extent as will not overload or interfere with any Common Elements or the enjoyment thereof by the other Owners.

7.9 Nuisances. No nuisances or noxious or offensive activities shall be allowed in the Condominium nor shall any use or practice be allowed that is improper or offensive in the opinion of the Board of Directors or that unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the Condominium by other Owners or occupants or requires any alteration of or addition to any Common Element. The determination of acceptable commercial uses within the Condominium shall be made in accordance with Section 7.3. Unit occupants and their guests shall exercise extreme care not to make noises that may disturb other occupants or guests, including the use of musical instruments, radios, televisions and amplifiers. Speakers for audio equipment may not be mounted on or against walls or on floors of a Primary Unit without an adequate sound barrier to prevent vibration and transmission of bass sounds outside the Unit. Road noise, noise from mechanical systems of the Condominium, the elevators, air compressors and other incidental noises from a multi-family building, including, without limitation, from residents' use of the courtyard, sun deck, patios or balconies in accordance with these Bylaws and the Rules and Regulations, shall not be considered nuisances. In addition, smells from barbecues on Unit balconies, patios or the courtyard shall not be considered nuisances. Owners shall not discard or throw, or allow to be discarded or thrown, intentionally or otherwise, any items from the windows or the balconies or decks adjacent to their Units, including, without limitation, cigarettes or ashes. Owners shall not allow the storage or use of hazardous substances in their Units other than normal cleaning materials stored and used in accordance with applicable law. Owners and other occupants shall not engage in any abusive or harassing behavior, either verbal or physical, or any form of intimidation or aggression directed at other Owners, occupants, guests, or invitees, or directed at the manager, its agents or employees, or vendors.

7.10 Unlawful or Improper Activities. No unlawful use shall be made of the Condominium or any part thereof, and all Legal Requirements shall be strictly complied with. Compliance with any Legal Requirements shall be accomplished by and at the sole expense of the Owner or Association, as the case may be, whichever shall have the obligation to maintain and repair the portion of the Condominium affected by any such Legal Requirement. Each Owner shall give prompt notice to the Board of Directors of any written notice received of the violation of any Legal Requirement affecting the Owner's Unit or Units or the Condominium. Notwithstanding the foregoing provisions, an Owner may, at such Owner's expense, defer compliance with and contest, by appropriate proceedings prosecuted diligently and in good faith, the validity or applicability of any Legal Requirement affecting any portion of the Condominium that such Owner is obligated to maintain and repair, and the Board of Directors shall cooperate with such Owner in such proceedings, provided that:

7.10.1 Such Owner shall pay and shall defend, save harmless, and indemnify the Board of Directors, the Association, and each other Owner against all liability, loss or damage that any of them respectively shall suffer by reason of such contest and any noncompliance with such Legal Requirement, including attorneys' fees and other expenses incurred;

7.10.2 Such Owner shall keep the Board of Directors advised as to the status of such proceedings; and

7.10.3 If any Owner conducts any activity or fails to comply with any Legal Requirement that increases the insurance premiums on insurance carried by the Association, or for which the Association is directly or indirectly responsible, such Owner shall pay such increased

unsightly vehicle, or any other equipment or item improperly stored in Parking Units. If the same is not removed, the Board shall cause removal at the risk and expense of the Owner thereof.

7.15 Tradesmen. Residential Owners shall require their tradesmen to utilize exclusively the entrance, if any, designated by the Board of Directors for transporting packages, merchandise or any other objects.

7.16 Animals. No animals or fowl shall be raised, kept or permitted within the Condominium, except domestic dogs, cats, or other household pets, kept within a Primary Unit. No such dogs, cats or household pets shall be permitted to run at large or be kept, bred or raised for commercial purposes. Pets (other than fish) are to be limited to no more than three (3) per Primary Unit with the exception of dogs which are limited to two (2) per Primary Unit. No dog shall be kept within a Primary Unit unless its owner possesses for such dog a Canine Good Citizen Award issued by the American Kennel Club and no dog shall be kept unless its owner presents to the HOA (or original developer) at the closing of the Primary Unit documentation evidencing that such dog(s) have been spayed or neutered, as the case may be, and that all customary inoculations for such dog(s) including, without limitation, vaccine for rabies, are current and regularly maintained. In any case, no dogs, cats or other pets shall be kept unless they are currently licensed in accordance with municipal or governmental ordinance, rules or regulations, as applicable. The Board may require updated documentation at any time from pet owners regarding, but not limited to, inoculations and licensing. Any refusal to provide documentation to the Board shall result in the removal of the pets(s). Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective Owners thereof. All dogs, cats or other permitted household pets (other than fish) shall be carried or maintained on a leash while within the confines of a Common Element. An 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. The Board of Directors may require the removal of any animal that the board, in the exercise of reasonable discretion, determines to be disturbing other Owners unreasonably and may exercise this authority for specific animals even though other animals are permitted to remain. Pet disturbances subject to fines to include but not limited to: noise, smells, biting, menacing behavior or leaving pet waste on decks or in any Common Element. Owners determined by the board to be in violation will be given written notice of the first violation and will be fined \$100 for the second violation. The Board of Directors has sole discretion as to the number of notices before the owner is required to remove the pet and the board has sole discretion as to the amount of subsequent fines beyond the second violation. No animals of any kind shall be permitted to be kept within Storage or Parking Units. No animals of any kind are allowed to be unsupervised on unit decks or in common areas including the courtyard, sun deck, garages, hallways, elevators, lobby, Jacuzzi room and exercise room. All animal waste or cat litter is to be picked up and disposed of in sealed plastic bags and placed in the trash bin. No cat litter is to be flushed down the toilet. Owners agree to assume financial responsibility for any service call resulting from violation of the cat litter policy. At no time shall the decks or any common areas be made available for animals to relieve themselves. The keeping of pets shall be subject to other such reasonable rules and regulations that the Board may adopt from time to time as provided in Section 7.28.

7.17 Signs and Displays. All signage displayed to public view, whether from a Unit or Common Element, shall be subject to rules and regulations thereon adopted by the Board of Directors pursuant to Section 7.28 except as otherwise provided herein. In no event shall any "for sale" or similar sign be placed in a window that is displayed to public view or any sign be placed on

unsightly vehicle, or any other equipment or item improperly stored in Parking Units. If the same is not removed, the Board shall cause removal at the risk and expense of the Owner thereof.

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7.17 Signs and Displays. All signage displayed to public view, whether from a Unit or Common Element, shall be subject to rules and regulations thereon adopted by the Board of Directors pursuant to Section 7.28 except as otherwise provided herein. In no event shall any "for sale" or similar sign be placed in a window that is displayed to public view or any sign be placed on

or in the vicinity of a common entry door of the Condominium, other than signs used by the Declarant or the Owners of the Retail Units to advertise Units for sale or lease, without the prior written approval of the Board of Directors. The Owners of the Retail Units may, and may allow their tenants to, post signs for commercial purposes on the sign stanchions located on the exterior of the Condominium building, on the exterior of the Retail Unit, or within their Retail Unit, subject only to the requirements of applicable laws and ordinances. The Owners of the Retail Units may, and may permit their tenants to, also install window displays and display lighting for commercial purposes within the Retail Units, subject only to the requirements of applicable laws and ordinances. No sign shall be illuminated in a manner that unreasonably interferes with the enjoyment of any other Unit.

7.18 Sidewalk Areas. Notwithstanding anything to the contrary in these Bylaws or the Declaration, the Owners of the Retail Units may, and may permit their tenants to, use and place items on the sidewalks in front of the Retail Units for uses consistent with such Owners' or tenants' business in the premises, provided that such use (i) complies with all Legal Requirements, (ii) does not materially obstruct pedestrian access, and (iii) such Owners or tenants shall indemnify the Association for all claims, cost, expense or liability arising out of such use.

7.19 Trash. No part of any Unit or the Common Elements shall be used or maintained as a dumping area for rubbish, trash, garbage or other waste, other than designated common trash disposal areas. No such items shall be kept or maintained excepting sanitary containers in areas designated therefor.

7.20 Auctions or Open House. No Owner shall, when attempting to sell, lease or otherwise dispose of his or her Unit, or any personal property located therein, hold an "open house" or "auction" without the prior written approval of the Board of Directors of an access security management plan for the event. The Board shall approve any reasonable access security management plan.

7.21 Overloading. No Owner shall do anything to overload any part of a Unit or any part of the Common Elements, including watering potted plants on such Owner's patio or balcony in such a way as to overload such patio or balcony.

7.22 Hot Tubs. No hot tubs or Jacuzzis may be installed on balconies or patios.

7.23 5th Floor Sun Deck. Use of the sun deck shall be limited to the Owners or occupants of Residential Units. Smoking is not allowed in the sun deck area. Pets are allowed on the sun deck only on a leash and must be supervised by the owner. The hours during which the sun deck may be used by Owners or occupants of Residential Units shall be generally limited to daylight hours, provided, that the Board may allow in writing other hours of use for a special occasion or by appointment, but in any event not earlier than 8:00 a.m. and not beyond 10:00 p.m. The sun deck may not be used for gatherings, public performances, or commercial purposes without prior written approval of the Board. Use of the 5th floor sun deck shall also be subject to the Rules and Regulations adopted by the Board from time to time as provided in Section 7.28.

7.24 Exercise Room and Spa. Owners assume all responsibility for, and all risk of, damage or injury that may occur to individual(s) while using any of the equipment or Jacuzzi in the exercise room and spa. Owners shall inspect each piece of equipment prior to use and shall

refrain from using any equipment which the owner believes may be functioning improperly or is dangerous or is damaged. Owners shall immediately report to the management company any equipment which the owner believes may be functioning improperly or is dangerous or is damaged. Owners shall consult a physician before using any equipment in the exercise room and spa. Owners shall refrain from using such equipment unless such Owner's physician has approved such use. A parent or legal guardian must accompany any persons under the age of 18 in either the exercise room or spa. Guests are not permitted in the exercise room or spa unless accompanied by an Owner. Smoking, eating, alcoholic beverages or pets are not allowed in the exercise room or spa. If Owner(s) are unfamiliar with the use of any of the equipment, they are not to use the equipment until proper instruction on such use has been obtained. Use of the exercise room and spa shall also be subject to the Rules and Regulations adopted by the Board from time to time as provided in Section 7.28.

7.25 Courtyard. The hours during which the courtyard may be used by Owners or occupants of Residential Units shall be generally limited to daylight hours, provided, that the Board may allow in writing other hours of use for a special occasion or by appointment, but in any event not beyond 10:00 p.m. The courtyard may not be used for gatherings, public performances, or commercial purposes without prior written approval of the Board. Smoking is not allowed in the courtyard. Pets are allowed in the courtyard only on a leash and must be supervised by their owner. Pets are not to be allowed to deposit liquid or solid waste in any area of the courtyard, including the planted areas. Use of the courtyard shall also be subject to the Rules and Regulations adopted by the Board from time to time as provided in Section 7.28.

7.26 Utilities and Antennae. No sewer, drainage, utility lines, wires, satellite dishes, or other devices for the communication or transmission of electric current, power, or signals (including telephone, television, microwave, or radio signals) shall be constructed, placed, or maintained anywhere in or upon the Condominium other than within the building or other structures unless contained in conduits or placed or maintained underground or concealed in or under the building or other structures, without the prior written approval of the Board. No device for the transmission or reception of telephone, television, microwave, or radio signals will be allowed within the Condominium unless the antenna is located and screened so as not to be visible from neighboring buildings and streets. The Association shall also provide to Owners a designated space on the roof of the building for the installation of satellite dishes and other communications equipment. Nothing contained in this Section 7.25 shall be construed to prohibit the erection or use of temporary power or telephone facilities during construction or repair of Improvements nor shall it apply to construction activities of Declarant. The restrictions contained in this Section 7.25 shall be effective only to the extent permissible under applicable laws and regulations.

7.27 Waterbeds. Waterbeds are prohibited in all Units.

7.28 Smoking Restriction. Smoking of tobacco products or similar products shall be prohibited in all common areas of the Condominium, including the garages, the hallways, elevators, lobby, sun deck, courtyard, 5th floor sun deck and exercise room and spa and is also prohibited on the balconies and patios located adjacent to the Residential Units.

7.29 Roof Access. No access to the roof of any building within the Condominium shall be permitted without the prior authorization of the Board of Directors or the management company.

7.30 Association Rules and Regulations. In addition to the foregoing requirements, 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 the Common Elements as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Condominium including, without limitation, establishment of reasonable administrative fees, such as fees for new owner set-up and owner's packet, move-in and move-out fees, etc. Any such Rules and Regulations may be amended, modified or revoked by the Owners in the same manner as these Bylaws. A copy of the Rules and Regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Board of Directors promptly to each Owner and shall be binding upon all Owners and occupants of all Units from the date of delivery.

7.31 Activities of Declarant. Nothing in this Article 7 or in the other provisions of these Bylaws shall be construed to limit, modify, or otherwise restrict the rights of Declarant pursuant to the Declaration with respect to the planning, designing, developing, constructing, and sale of improvements on the Property.

8. MAINTENANCE OF CONDOMINIUM PROPERTY; CONDEMNATION.

8.1 Maintenance and Repair. Except as otherwise provided in the Declaration for damage or destruction caused by casualty:

8.1.1 Units. All maintenance of and repairs to any Primary or Storage Unit shall be made by the Owner of such Unit or Units, as described in Section 14.2 of the Declaration.

8.1.2 Common Elements, Parking Units and Association Property. Except as otherwise provided by Section 13 of the Declaration, all inspection, maintenance, repairs and replacements to the Common Elements, Parking Units and Association Property shall be made by the Association and shall be charged to the Owners as a Retail Expense, Residential Expense, Parking Expense, Storage Unit Expense or Fireplace Expense, as applicable, in accordance with Section 7.1 of the Declaration; provided, that if such maintenance, repairs or replacement have been necessitated by acts or omissions of an Owner by reason of which the Owner is responsible under applicable law or under these Bylaws for all or a portion of the costs thereof, except as otherwise provided by Section 22.2 of the Declaration, such costs shall be charged solely to the Owner so responsible, and provided further, that each Owner of a Retail Unit shall be responsible, at its expense, for keeping those portions of loading areas within 40 feet of entrance ways free of debris, trash or materials associated with commercial activity. However, should actual collection of such costs from the responsible Owner within a reasonable period of time prove impossible after reasonable collection efforts, the uncollected portion may be charged to all Owners as a common expense, subject to reimbursement of any amounts later collected from the responsible Owner.

8.1.3 Repairs by Association. The Association may make repairs that an Owner is obligated to make and that he or she does not make within a reasonable time. If such repairs are of an emergency nature (in that the repairs must be promptly made to prevent further or imminent potential damage to the Unit involved, other Units or any Common Element), the Association may make such repairs immediately, without notice to the Owner, if he or she is not available for reasonable notification within the time frame that the nature of the emergency shall reasonably afford. The Association shall indemnify its agents, employees and other of its representatives from any and

all liability to any Owner incurred by reason of any reasonable exercise of the right of entry afforded in the Declaration or these Bylaws to effect emergency repairs. The Association shall have no liability to an Owner for any use of its right of entry or right to make emergency repairs if it shall have reasonable cause to believe that such action is required. An Owner shall be deemed to have consented to having such repairs done to his or her Unit by the Association. An Owner shall reimburse the Association in full for the cost of such repairs, except to the extent covered by insurance proceeds received by the Association, including any legal or collection costs incurred by the Association in order to collect the costs of such repairs. All such sums of money shall bear interest from the due date therefor at the rate provided in Section 5.7. The Association may collect all such sums of money in such installments as the Board of Directors may determine, which installments shall be added to the monthly contributions towards the common expenses of such Owner, after the Owner's receipt of notice thereof. All such payments are deemed to be additional contributions towards the common expenses and recoverable as such.

8.2 Additions, Alterations, or Improvements. Except as otherwise permitted by the Declaration or these Bylaws, an Owner shall not, without first obtaining the written consent of the Board of Directors (if so required by Section 7.6) and satisfying the other requirements provided for in Section 7.6, as applicable, make or permit to be made any structural alteration, improvement, or addition in or to his or her Unit or Units, or in or to the exterior of any building forming part of the Condominium or any Common Element. An Owner shall make no repair or alteration or perform any other work on his or her Unit or Units that would jeopardize the soundness or safety of the Condominium, or reduce the value thereof or impair any easement or other right, unless the written consent of all Owners affected is also obtained. Other than as permitted by the Declaration or these Bylaws, an Owner shall not modify, alter, add to, paint or decorate any portion of the exterior of any building forming part of the Condominium or any Common Element without first obtaining the written consent of the Board of Directors and satisfying the other requirements of Section 7.6 and the Act. In order to prevent damage to the structural integrity of any building forming part of the Condominium, in no event may any Owner, the Association, the Board of Directors or any other entity or any agents, employees, permittees, or licensees of the foregoing, drill, bore, or cut any holes into any floor or ceiling of the Condominium more than 3/4" in depth, and the Board of Directors shall not consent to any such actions unless engineering studies confirm to the Board in the Board's sole discretion that such drilling, boring or cutting shall not compromise the structural integrity of the Condominium.

9. INSURANCE.

9.1 Types. Each Owner shall be responsible for obtaining, at his or her own expense, insurance covering his or her property not insured under Subsection 9.1.1 below and against his or her liability not covered under Subsection 9.1.2 below, unless the Association agrees otherwise. For the benefit of the Association and the Owners, the Board of Directors shall obtain and maintain at all times, and shall pay for out of the common expense funds, the following insurance:

9.1.1 Insurance covering loss or damage under an all-risk replacement cost policy, which coverage must include fire, extended coverage, vandalism and malicious mischief, and such other coverages such as flooding, which the Association may deem desirable, for not less than the full insurable replacement value, including the cost of replacement in compliance with the then applicable building codes, of the Units and Common Elements, including any fixtures, building service equipment, and common personal property and supplies belonging to the Association. Such

policy or policies shall name the Association and the Owners as insureds, as their interests may appear, and shall provide for a separate loss payable endorsement in favor of the Mortgagee of each Unit, if any. No such policy shall contain a deductible exceeding the lesser of Ten Thousand Dollars (\$10,000.00), adjusted by any increase in the Consumer Price Index - All Items - for all urban consumers as published by the U.S. Bureau of Labor Statistics (or any comparable substitute index, if such shall be discontinued), the base year being 2005, or one percent of the face amount of the policy.

9.1.2 A policy or policies insuring the Declarant, the Association, the Board of Directors, the Owners and the managing agent, against liability to the public or to the Owners, and their employees, invitees, or tenants, incident to the supervision, control, operation, inspection, maintenance, or use of the Condominium, including all Common Elements, public ways, and any other areas under the supervision of the Association. There may be excluded from such policy or policies coverage of an Owner (other than as a member of the Association or Board of Directors) for liability arising out of acts or omissions of such Owner and liability incident to the ownership and/or use of the part of the Condominium as to which such Owner has the exclusive use or occupancy. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000.00) on a combined single limit basis. In addition to the indexing provided under Section 12.7 of these Bylaws, the foregoing policy limits of liability shall be increased, in the sole discretion of the Board of Directors, as indicated by the course of plaintiff's verdicts in personal injury claims in the Circuit Court of Multnomah County, State of Oregon, from time to time. Such policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of the named insured under the policy or policies shall not be prejudiced as respects any action against another named insured.

9.1.3 Worker's compensation insurance to the extent necessary to comply with any applicable laws.

9.1.4 Directors' and officers' liability insurance with coverage in an amount of not less than One Million Dollars (\$1,000,000), subject to a reasonable deductible which shall be determined by the Board of Directors.

9.1.5 Fidelity insurance for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of or administered by the Association. In the event the Association has retained a manager, such manager shall maintain fidelity insurance for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. The cost of such insurance shall be at the expense of the Association, provided that the cost of such insurance for the manager shall be paid for by the manager. The total amount of fidelity insurance coverage required shall be based upon the best business judgment of the Board of Directors. In no event, however, may the aggregate amount of such insurance be less than the sum equal to three months' aggregate assessments on all units plus reserve funds. Such fidelity insurance shall name the Association as obligee and shall contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The insurance shall provide that it may not be canceled or substantially modified (including cancellation for nonpayment of premium,) without at least ten (10) days' prior written notice to the Association and each servicer on behalf of the Federal National Mortgage Association ("FannieMae").

9.2 Mandatory Policy Provisions. Insurance obtained by the Association shall be governed by the following provisions:

9.2.1 All policies shall be written with the State of Oregon or a company licensed to do business in the State of Oregon acceptable to FannieMae which falls into a “B” or better general policyholder’s rating or a “6” or better financial performance index rating in Best’s *Insurance Reports*, an “A” or better general policyholder’s rating and a financial size category of “VIII” or better in Best’s *Insurance Reports – International Edition*, an “A” or better rating in Demotech’s *Hazard Insurance Financial Stability Ratings*, a “BBBq” qualified solvency rating or a “BBB” or better claims-paying ability rating in Standard and Poor’s *Insurer Solvency Review*, or a “BBB” or better claims-paying ability in Standard and Poor’s *International Confidential Rating Service*.

9.2.2 All losses under policies hereafter in force placed by the Association regarding the Condominium shall be settled exclusively by the Board of Directors or its authorized representative. The Board of Directors may give such releases as are required, and any claimant, including the Owner of a damaged Unit, shall be bound by such adjustment; provided, however, that the Board of Directors may, in writing, authorize an Owner to adjust any loss to his or her Unit or Units.

9.2.3 Each Owner shall be required to notify the Board of Directors of all improvements made by the Owner to his or her Unit or Units, the value of which is in excess of Five Hundred Dollars (\$500.00). Nothing in this subsection shall permit an Owner to make improvements without first obtaining the approval of this Board of Directors pursuant to Section 8.2 hereof.

9.2.4 Any Owner who obtains individual insurance policies covering any portion of the Condominium other than his or her personal property and fixtures shall file a copy of such individual policy or policies with the Association within 30 days after the purchase of such insurance.

9.2.5 Notwithstanding the provisions of these Bylaws, there may be named as an insured, on behalf of the Association, the Association’s authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement, or any successor to such trustee. Such insurance trustee shall have exclusive authority to negotiate losses under any property or liability insurance policy. Each Owner appoints the Association, or any insurance trustee or substitute trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance including: the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purchase. The Association or insurance trustee shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for Owners and their first mortgage holders, as their interests may appear.

9.2.6 All property insurance policies shall contain a “Special Condominium Endorsement” or its equivalent providing for the following: recognition of any Insurance Trust Agreement, a waiver of the right of subrogation against Owners individually, that the insurance is not prejudiced by any act or neglect of individual Owners that is not in the control of such Owners

collectively, and that the policy is primary in the event the Owner has other insurance covering the same loss.

9.2.7 For purposes of this Section 9, insurance policies are unacceptable where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against FannieMae, the designee of FannieMae, or the Association Owners, or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members, or (iii) policy includes any limiting clauses (other than insurance conditions) that could prevent collecting insurance proceeds.

9.2.8 All policies required by this Section 9 shall provide that they may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first Mortgage in the insurance policy. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

9.2.9 Each Owner shall be required to notify the Board of Directors of all improvements made by the Owner to his or her 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 these Bylaws.

9.3 Discretionary Provisions. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

9.3.1 A waiver of subrogation by the insurer as to any claims against the Association, the Board of Directors, the manager, the Owners and their respective servants, agents, household members, and guests, except for arson and fraud;

9.3.2 A provision that any master policy on the Condominium cannot be canceled, invalidated, or suspended, nor coverage denied thereunder, on account of the conduct of any one or more individual Owners;

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

9.3.4 A provision that any "no other insurance" clause in any master policy exclude individual Owners' policies from consideration, and a waiver of the usual proration clause with respect to such policies;

9.3.5 A provision that the insurer issue subpolicies specifying the portion of any master policy earmarked for each Owner's interest and that until the insurer furnishes 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 mortgagor-Owner, the Association, or other Owners, nor canceled for nonpayment of premiums;

9.3.6 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;

9.3.7 Waivers of any defense based on co-insurance or of invalidity arising from the conduct or any act or omission or breach of a statutory condition of or by any insured;

9.3.8 A provision that the same shall be primary insurance in respect of any other insurance carried by any Owner;

9.3.9 An "inflation guard" endorsement;

9.3.10 An endorsement providing coverage with respect to changes that may be required under applicable codes or ordinances to undamaged portions of the Condominium in the event of a casualty affecting a portion of the Condominium; and

9.3.11 A provision that any insurance trust agreement will be recognized.

9.4 Additional Requirements.

9.4.1 Prior to obtaining any policy or policies of insurance under Section 9.1.1, or any renewal or renewals thereof and if any first Mortgagee holding Mortgages on at least 75 percent of the Primary Units so requires, or at such other times as the Board of Directors may deem advisable, the Board of Directors shall obtain an appraisal from an independent qualified appraiser, of the "full replacement cost" of the Condominium, for the purpose of determining the amount of insurance to be obtained pursuant to Section 9.1.1, and the cost of such appraisal shall be a common expense to be allocated in accordance with Section 7.1 of the Declaration; provided, however, that the full replacement cost of the Condominium for the policy or policies of insurance placed in force upon recording of these Bylaws or the Declaration shall be determined by the Declarant.

9.4.2 No Mortgage may be placed against any Unit unless the Mortgagee agrees to waive any contractual or statutory provision giving the Mortgagee the right to have the proceeds of any insurance policy or policies applied on account of the Mortgage and thereby prevent application of the proceeds of any insurance policy or policies towards the repair of the property pursuant to the provisions of these Bylaws. This Section 9.4.2 shall be read without prejudice to the right of a Mortgagee to vote on or to consent to certain matters, if the Mortgage itself contains a provision giving the Mortgagee that right, and also to the right of any Mortgagee to receive the proceeds of any insurance policy, if the insured property is not repaired.

9.4.3 A certificate or memorandum of all insurance policies and endorsements thereto shall be issued as soon as possible to each Owner and a duplicate original or certified copy of the policy or policies to each Mortgagee. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and Mortgagee not later than 10 days before the expiration of any current insurance policy. The master policy (or a copy thereof) for any insurance coverage shall be kept by the Association in its office, available for inspection by an Owner or Mortgagee on reasonable notice to the Association.

9.4.4 No insured, other than the Association, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Association, or to direct that loss shall be payable in any manner other than as provided in these Bylaws.

9.5 By the Owner. It is acknowledged that the foregoing provisions specify the only insurance required to be obtained and maintained by the Association and that the following insurance shall be obtained and maintained by each Owner, as specified.

9.5.1 Insurance on any additions or improvements made by the Owner to his or her Unit or Units shall be purchased and maintained for the full insurable value thereof, unless the Owner presents in writing to the Board of Directors evidence that the additions or improvements made by the Owner to his or her or her Unit are insurable under the insurance issued pursuant to Section 9.1.1 and the Board of Directors, after consultation with the Association's insurer, concurs that such additions or improvements are insured under such insurance and, if necessary, the Association's insurer undertakes the requisite action to cause the additions or improvements to be added to the policy issued pursuant to Section 9.1.1. Insurance also shall be purchased for furnishings, fixtures, equipment, decorating and personal property and chattels of the Owner contained within his or her Unit or Units, and his or her personal property and chattels stored elsewhere on the Property, including his or her automobile or automobiles, and for loss of use and occupancy of his or her Unit or Units in the event of damage. Owners shall be responsible for insuring the deductible amount under the Association's policies. The Association shall notify all Owners of the amount of the deductible under the Association policies, and to the extent reasonably practicable, the Association shall give at least 30 days' notice to the Owners of any increase in the deductible proposed in renewal or replacement insurance policies. Any such policy or policies of insurance shall contain waivers of subrogation against the Association, its manager, agents, employees and servants, and against the other Owners and any members of their households, except for vehicle impact, arson and fraud.

9.5.2 Public liability insurance in the amount reasonably set by the Board of Directors no more often than every three years, covering any liability of any Owner to the extent not covered by any public liability and property damage insurance obtained and maintained by the Association, including, without limitation, damages caused by fixtures, equipment, or personal property under the custody, care, or control of the Owner; provided that the Board of Directors may require the Retail Owners to maintain public liability insurance in an amount greater than the amount required of the Owners of the Residential Units.

9.5.3 In the case of the Retail Units, such other insurance coverages as are customarily maintained by owners of businesses comparable to those operated within such Units.

9.6 Fannie Mae and GNMA Requirements. Notwithstanding any other provisions of these Bylaws, 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 FannieMae 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 FannieMae or Government National Mortgage Association. FannieMae or FannieMae's servicer, its successors and assigns, shall be named as a mortgagee in the Association's policies.

10. AMENDMENTS TO BYLAWS.

10.1 How Proposed. Amendments to the Bylaws shall be proposed by either a majority of the Board of Directors or by Owners holding at least 33 percent of the voting power of the Association. 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.

10.2 Adoption. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Owners and may be approved by a majority of the Owners at a meeting called for this purpose. Owners not present at the meeting considering such amendment may express their approval in writing or by proxy delivered to the Board of Directors at or prior to such a meeting. Any resolution shall be approved by at least a majority of the Owners, except that any resolution containing an amendment relating to age restrictions, pet restrictions, limitations on the number of persons who may occupy a Primary Unit and limitations on leasing or rental of Primary Units shall be approved by at least 75 percent of the voting power of the Association, and except that any provision of these Bylaws that is required to be in the Declaration may be amended only in accordance with the requirements governing amendment of the Declaration. Notwithstanding the foregoing, these Bylaws may not be amended in a manner that eliminates or impairs rights or privileges pertaining to the Retail Units without the approval of the Owners of such Units. In addition to the foregoing approval requirements, amendment of the following provisions of these Bylaws shall require the prior written approval of at least 51 percent (51%) of those holders of first Mortgages on Primary Units (based upon one vote for each first Mortgage held) who have given written notice to the Association requesting notification of any proposed action that requires the consent of a specified percentage of eligible Mortgagees: (i) Section 8.1, which addresses maintenance and repair; (ii) Article 9, which addresses insurance requirements; and (iii) any other provision of these Bylaws which expressly benefits Mortgagees of Units or insurers or guarantors of such Mortgages. Any approval of a Mortgagee required under this Section 10.2 may be presumed by the Association if the Mortgagee fails to submit a response to a written proposal for an amendment to these Bylaws within thirty (30) days after it receives notice of such proposal by certified or registered mail, return receipt requested. For so long as Declarant remains the owner of one or more Primary Units, the Bylaws may not be modified, added to, amended or repealed so as to eliminate, change, or impair any rights, privileges, easements, licenses or exemptions granted therein or herein to the Declarant or its designee, or otherwise adversely affect the Declarant or such designee, without the Declarant's or such designee's prior written consent in each instance.

10.3 Execution and Recording. An amendment shall not be effective until certified by the Chairperson and Secretary of the Association, approved by the Real Estate Commissioner of the State of Oregon if required by law, and recorded in the deed records of Multnomah County, Oregon as required by law.

10.4 Rights of Declarant. Nothing in this Article 10 shall limit the right of the Declarant to approve amendments to the Bylaws pursuant to Section 21 of the Declaration.

11. LITIGATION.

11.1 By Less than All Owners. If any action is brought by one or more but less than all Owners on behalf of the Association and recovery is obtained, the plaintiff's expenses, including

reasonable counsel's fees, shall be a common expense; provided, however, that if such action is brought against all of the Owners or against the Board of Directors, the officers, employees, or agents thereof, in their capacities as such, with the result that the ultimate liability asserted would, if proved, be borne by all the Owners, the plaintiff's expenses, including counsel's fees, shall not be charged to or borne by the other Owners, as a common expense or otherwise.

11.2 Complaints Against. Complaints brought against the Association, the Board of Directors or the officers, employees, or agents thereof, in their respective capacities as such, or against the Property as a whole, shall be directed to the Board of Directors, which shall promptly give written notice thereof to the Owners and any Mortgagees who have requested notice thereof and shall be defended by the Board of Directors, and the Owners and Mortgagees shall have no right to participate other than through the Board of Directors in such defense. One or more Owners shall have the right to enjoin, abate, or remedy by appropriate legal proceedings any failure by the Association or the Board of Directors to comply with the provisions of the Declaration, these Bylaws, or any Rule or Regulation. Complaints against one or more, but less than all of the Owners, shall be directed to such Owners, who shall promptly give written notice thereof to the Board of Directors and to the Mortgagees having an interest in such Units, and shall be defended by such Owners.

11.3 Mediation. Prior to initiating litigation, arbitration or an administrative proceeding in which the Association and a Unit Owner have an adversarial relationship, all claims shall first be submitted to mediation within Multnomah County, Oregon with any dispute resolution program available that is in substantial compliance with the standards and guidelines adopted under ORS 36.175, as it may be amended. The foregoing requirement does not apply to circumstances in which irreparable harm to a party will occur due to delay or litigation or an administrative proceeding initiated to collect assessments, other than assessments attributable to fines.

11.4 Limitations on Actions. Notwithstanding any other provision of the Declaration or these Bylaws, the Association shall not expend or commit to expend in excess of \$2,500 for attorneys' fees and costs for any specific litigation or claim matter or enter into any contingent fee contract on any claim in excess of \$20,000 unless first approved by at least 75 percent of the outstanding votes of the Owners. The foregoing limitation shall not apply to actions for delinquent assessments or other charges under the Declaration or these Bylaws, for actions initiated by the Association during Declarant's period of administrative control pursuant to Section 21 of the Declaration; for actions challenging ad valorem taxation or condemnation proceedings; initiated against any contractor or vendor hired by the Association or supplier of goods and services to the Association; to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it; actions to appoint a receiver pursuant to Section 5.9 of these Bylaws; actions to summarily abate and remove a structure or condition that violates the Declaration or these Bylaws; or for the defense of the Association of an action or proceeding brought against the Association (except for non-mandatory counterclaims).

11.5 No Attorneys' Fees. Except as specifically provided for in the Declaration or these Bylaws, no party in an arbitration, mediation or other proceeding shall be entitled to recover costs and attorneys' fees in connection therewith.

11.6 Suits Against Declarant. Declarant shall have the right to be present at any meeting of the Association during which the Board of Directors or the Owners vote on whether to

initiate legal action against Declarant. The Board of Directors shall provide Declarant with at least 10 days written notice of the time and place of any such meeting.

11.7 Initial Dispute Resolution Procedures. In the event of a claim by the Association or any Owner against Declarant or any contractor, subcontractor, or supplier for a construction defect, the parties shall first comply with the provisions contained in ORS 701.550 to 701.595. In the event the claim is not for a construction defect, but relates to a claimed defect in the condition of the project, the parties shall follow the same procedures as set forth in such provisions, except that the notice of defect shall include a statement of the basis upon which the recipient is claimed to be liable for the defect. Compliance with the procedures contained in this Section 11.7 shall be a condition precedent to mediation, arbitration or litigation of any such claims.

12. MISCELLANEOUS.

12.1 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 by written notice thereof to each Owner. All notices to any Owner shall be sent to such address as may have been designated by him from time to time, in writing, to the Board of Directors, or if no address has been designated, then to the Owner's Primary Unit.

12.2 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.

12.3 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 remainder 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.

12.4 Action Without a Meeting. Any action that the Act, the Declaration or the Bylaws require or permit the Owners 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 entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the Owners, shall be filed in the records of minutes of the Association. For votes of the Owners by written ballot, the Board of Directors shall provide Owners with at least 10 days' notice before written ballots are mailed or otherwise delivered. The notice shall state the general subject matter of the vote by written ballot, the right of Owners to request secrecy procedures specified in ORS 100.425, the date after which ballots may be distributed, the date and time by which any petition must be received by the Board requesting secrecy procedures, and the address where such a petition may be delivered. If, at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least 10 percent of the Owners petition the Board of Directors requesting secrecy procedures, a written ballot must be accompanied by a secrecy envelope, a return identification envelope to be signed by the Owner, and instructions for mailing and returning the ballot. Written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning

ballots has passed. Notwithstanding the foregoing, action by written ballot may not substitute for the Turnover Meeting or the annual meeting of the Association.

12.5 Conflicts. These Bylaws are intended to comply with the Act and the Declaration. In case of any irreconcilable conflict, the Act and Declaration shall control over these Bylaws, any amendments hereto or any Rules and Regulations adopted hereunder.

12.6 Liability Survives Termination. The sale or other disposition of his or her Unit or Units shall not relieve or release any former Owner from any liability or obligation incurred or in any way connected to such ownership, nor shall such termination impair any rights or remedies that the Association may have against such former Owner arising out of or in any way connected with such ownership and the covenants and obligations incident thereto.

12.7 Indexing. Whenever any dollar amount is specified in these Bylaws, such amount shall be automatically adjusted each January 1 based upon any changes in the Consumer Price Index - All Items - for all urban consumers published by the U.S. Bureau of Labor Statistics (or any generally accepted substitute for such index, if such index shall be discontinued) using the index for January, 2005 as the base year.


12.8 Declarant as Owner. Except as expressly provided in these Bylaws and the Declaration, Declarant shall, with respect to any Units owned by Declarant, enjoy any and all rights, and assume any and all obligations, enjoyed or assumed by an Owner.

[SIGNATURE PAGE FOLLOWS]

Dated at Portland, Oregon, this 16th day of August, 2005 being hereby adopted by the undersigned Declarant on behalf of the Association.

UNIVERSITY PARK PROPERTY LLC, a
Delaware limited liability company

By: Harding Park, Inc., a Delaware corporation,
its sole member

By: 
Eric Bell, Vice President