

Return to: Fidelity National Title  
401 SW 4th Ave. #200  
Portland, OR

68P  
340  
10  
11  
20NS

**CONDOMINIUM DECLARATION  
FOR  
TANGLEWOOD HILLS CONDOMINIUM**

**TABLE OF CONTENTS**

RECITALS ..... 1

1. DEFINITIONS ..... 1

2. REAL PROPERTY DESCRIPTION ..... 2

3. NAME AND UNIT, PARKING UNIT AND STORAGE UNIT DESCRIPTION ..... 2

    3.1 Name ..... 2

    3.2 Boundaries of Units ..... 2

    3.3 Building Description and Unit Designation ..... 3

    3.4 Parking Units and Storage Units ..... 5

    3.5 Description of Staged Development ..... 5

4. GENERAL COMMON ELEMENTS ..... 6

    4.1 Definition ..... 6

    4.2 Maintenance, Repair and Replacement of General Common Elements; Liability for Common Expenses ..... 7

    4.3 Income From General Common Elements ..... 7

5. LIMITED COMMON ELEMENTS ..... 7

    5.1 Definitions ..... 7

    5.2 Maintenance, Repair and Replacement of Limited Common Elements ..... 7

6. PARKING UNITS/STORAGE UNITS ..... 8

    6.1 Limited Common Element Parking ..... 8

    6.2 General Common Element Parking ..... 8

7. VOTING ..... 8

8. USE OF PROPERTY ..... 8

    8.1 General ..... 8

    8.2 Rules and Regulations Promulgated by the Association ..... 8

    8.3 Right of Ingress and Egress ..... 9

RECORDED IN CLACKAMAS COUNTY  
JOHN KAUFFMAN, COUNTY CLERK

2000-078878

\$361.00

STUTZ\JDP\DECLARATION.TOC



12/07/2000 02:22:45 PM

PD DUO - 1 - 5 LYNN  
\$340.00 \$11.00 \$10.00

Stage

9.	CONTRACTS AND LEASES .....	9
10.	BYLAWS; ASSOCIATION; MANAGEMENT .....	9
	10.1 Adoption of Bylaws .....	9
	10.2 Association; Membership .....	9
	10.3 Management; Board of Directors .....	9
	10.4 Interim Board and Officers .....	10
	10.5 Powers and Duties of the Association .....	10
	10.6 Covenant to Pay Assessments; Liability for Common Expense .....	10
	10.7 Delegation .....	10
11.	SERVICE OF PROCESS .....	10
12.	MORTGAGEES .....	11
	12.1 Notice of Action .....	11
	12.2 Mortgagee Exempt from Certain Restrictions .....	11
	12.3 Subordination of Association Lien to Mortgage; Discharge of Lien Upon Foreclosure .....	11
	12.4 Professional Management .....	11
	12.5 Consent of Mortgagees to Change Percentage Ownership in Common Elements .....	12
	12.6 Consent of Mortgagees Required to Terminate Project .....	12
	12.7 Limited Right of Amendment .....	12
	12.8 Request for Approval of Mortgagees .....	13
	12.9 Proxy Held by Mortgagee in Certain Cases .....	13
	12.10 Right to Examine Documents .....	13
	12.11 Right to Annual Reports .....	14
	12.12 Right to Receive Written Notice of Meetings .....	14
	12.13 List of Mortgagees .....	14
13.	AMENDMENTS TO DECLARATION .....	14
	13.1 Declarant's Approval Required .....	14
	13.2 Recordation/County Assessor and Commissioner Approval Required .....	14
	13.3 Supplemental Declarations .....	15
14.	SUBDIVISION .....	15
15.	RELOCATION OF BOUNDARIES .....	15
16.	AUTHORITY TO GRANT EASEMENTS, RIGHTS-OF-WAY, LICENSES AND OTHER SIMILAR INTERESTS .....	15
	16.1 General .....	15
	16.2 Utility Easements; Dedications .....	15

16.3	Encroachments .....	16
16.4	Air Conditioning/Heat Pump Easements .....	16
17.	<b>DECLARANT'S SPECIAL RIGHTS .....</b>	<b>16</b>
17.1	Sales Office and Model .....	16
17.2	"For Sale"/"For Rent" Signs .....	16
17.3	No Capital Assessments Without Consent .....	16
17.4	Common Element Maintenance by the Association .....	17
17.5	Declarant's Easements .....	17
17.6	Declarant's Other Special Rights .....	17
17.7	No Rent Restrictions on Declarant Owned Units .....	17
17.8	Assignment of Declarant's Rights .....	17
17.9	Expiration of Declarant's Special Rights .....	17
18.	<b>RIGHT TO MAKE ADDITIONS TO COMMON ELEMENTS .....</b>	<b>17</b>
19.	<b>CROSS EASEMENTS/JOINTLY MAINTAINED PROPERTY .....</b>	<b>17</b>
19.1	Access .....	18
19.2	Access Easement Unrestricted .....	18
19.3	Utility Easements .....	18
19.4	Swimming Pool Easements .....	18
19.5	Maintenance and Repair Costs .....	18
19.6	Repair of Damaged Property .....	19
19.7	Assignments .....	19
19.8	Easements Run with the Land .....	19
19.9	No Amendment Without Declarant's Consent .....	19
19.10	Jointly Maintained Carport Buildings .....	19
20.	<b>GENERAL PROVISIONS .....</b>	<b>19</b>
20.1	Interpretation .....	19
20.2	Severability .....	19
20.3	Waiver of Rights .....	19
20.4	Legal Proceedings .....	20
20.5	Costs and Attorneys' Fees .....	20
20.6	Compliances .....	20
20.7	Conflicting Provisions .....	20
20.8	Section and Paragraph Captions .....	20

**CONDOMINIUM DECLARATION FOR  
TANGLEWOOD HILLS CONDOMINIUM**

This Declaration submits to the provisions, restrictions and limitations of the Oregon Condominium Act, real property hereinafter described and all improvements now existing or to be constructed on such real property, to be known as TANGLEWOOD HILLS CONDOMINIUM.

**Recitals, Intent and Purpose**

Tanglewood Associates, LLC, a Delaware limited liability company ("Declarant"), is the owner in fee simple of the real property described hereinbelow (the "Real Property"), and desires to submit the Real Property and all improvements thereon to the Condominium form of ownership, to be converted, handled and used in the manner provided by the Oregon Condominium Act.

NOW, THEREFORE,

**Declaration**

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

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

1.1 **Association** shall mean and refer to the Tanglewood Hills Condominium Association which shall be an Oregon nonprofit corporation.

1.2 **Condominium** means the Tanglewood Hills Condominium, including all land, all buildings constructed thereon and all improvements made thereto, and appurtenant rights and easements.

1.3 **Mortgage** means a recorded first mortgage, first trust deed or first contract of sale that creates a first lien against a Unit, and "Mortgagee" means the holder, beneficiary or vendor of such a mortgage, trust deed or contract of sale, but only when such holder, beneficiary or vendor notifies the Association in writing of the existence of such mortgage and gives the Association a current name and mailing address.

1.4 **Parking Unit** means a garage space designated on the Plat as a parking unit. There are no Parking Units in Stage I. However, the Declarant is reserving the right to develop Parking Units in subsequent stages.

1.5 **Storage Unit** means a storage space designated on the Plat (hereinafter defined) as a storage unit. There are no Storage Units in Stage I. However, the Declarant is reserving the right to develop Storage Units in subsequent stages.

1.6 **Unit** means the airspace encompassed by the boundaries described in Section 3.2 of this Declaration. Provided, however, "Unit" shall not include any Parking Unit or Storage Unit.

2. **REAL PROPERTY DESCRIPTION.** The Real Property that is submitted hereunder to the Oregon Condominium Act is located in the City of Lake Oswego, County of Clackamas, State of Oregon, and is more particularly described on Exhibit "A." Each Owner shall hold fee simple title to the Unit and common elements pertaining thereto when such property is conveyed to the Owner by the Declarant. Prior to such conveyance, the Declarant shall hold fee simple title to all Units and the appertaining common elements.

3. **NAME AND UNIT DESCRIPTION.**

3.1 **Name.** The Real Property shall be known as Tanglewood Hills Condominium.

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

3.2.1 All spaces, nonbearing interior partitions, windows, window frames, exterior doors, door frames, skylight and skylight frames (if any) and all other fixtures and improvements within the boundaries of the Unit; and

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

In interpreting deeds, Mortgages, deeds of trust and other instruments for any purpose whatsoever or in connection with any matter, the existing physical boundaries of the Unit or of a Unit reconstructed in substantial accordance with the original plans hereof shall be conclusively

presumed to be the boundaries, regardless of settling, rising or lateral movement of the building and regardless of variances between boundaries as shown on the plat being recorded simultaneously with this Declaration (the "Plat") and those of the actual building or buildings.

**3.3 Building Description and Unit Designation.** The land submitted by this Declaration has seven (7) buildings thereon which contain fifty-two (52) Units. The Condominium buildings are of two and three story wood frame construction on concrete foundations with cedar batten siding and composition shingle roofs. The vertical and horizontal boundaries, number designation, location and dimension of each Unit are shown on the Plat.

There are seven (7) basic styles of Units in the existing 158-unit apartment complex, and there may be additional styles if more Units are constructed or converted from existing spaces not used as residential apartments as of the date this Declaration is recorded. An assessment index has been assigned to each of the seven (7) styles. If additional Units are constructed or converted from nonresidential space, an assessment index will be assigned to such Units which is not less than 110 and not more than 190. The percentage ownership in the common elements has been determined by adding the assessment index assigned to each Unit and dividing that assessment index by the sum of the assessment indexes for the Units in the Condominium. As additional stages annex to the Condominium, a similar calculation will be made to determine the percentage ownership in the common elements as at the annexation of each such stage. The assessment indexes for each of the seven (7) styles of Units is as follows:

Briar	110
Conifer	125
Oakwood	125
Aspen	145
Evergreen	170
Sherwood	170
Green	190

The numerical designation, square footage, Unit style and percentage of ownership in common elements of each Unit in Stage I are as follows:

<u>Unit No.</u>	<u>Unit Style</u>	<u>Square Footage</u>	<u>Assessment Index</u>	<u>Percentage Ownership in Common Elements as of Stage I</u>
5	Briar	591	110	1.4686
6	Briar	594	110	1.4686
7	Briar	594	110	1.4686
8	Briar	594	110	1.4686
9	Conifer	786	125	1.6689
10	Conifer	786	125	1.6689
11	Briar	591	110	1.4686
12	Briar	594	110	1.4686
13	Briar	594	110	1.4686

14	Briar	594	110	1.4686
15	Conifer	786	125	1.6689
16	Conifer	786	125	1.6689
17	Briar	592	110	1.4686
18	Briar	594	110	1.4686
19	Briar	594	110	1.4686
20	Briar	594	110	1.4686
21	Conifer	786	125	1.6689
22	Conifer	786	125	1.6689
61	Evergreen	1275	170	2.2697
62	Evergreen	1275	170	2.2697
63	Aspen	927	145	1.9359
64	Aspen	927	145	1.9359
65	Evergreen	1275	170	2.2697
66	Evergreen	1275	170	2.2697
67	Aspen	927	145	1.9359
68	Aspen	927	145	1.9359
69	Evergreen	1275	170	2.2697
70	Evergreen	1275	170	2.2697
71	Aspen	927	145	1.9359
72	Aspen	927	145	1.9359
73	Evergreen	1275	170	2.2697
74	Evergreen	1275	170	2.2697
75	Aspen	927	145	1.9359
76	Aspen	927	145	1.9359
77	Evergreen	1275	170	2.2697
78	Evergreen	1275	170	2.2697
79	Aspen	927	145	1.9359
80	Aspen	927	145	1.9359
81	Evergreen	1275	170	2.2697
82	Evergreen	1275	170	2.2697
83	Aspen	927	145	1.9359
84	Aspen	927	145	1.9359
101	Green	1374	190	2.5369
102	Green	1405	190	2.5369
139	Evergreen	1275	170	2.2697
140	Evergreen	1275	170	2.2697
141	Aspen	927	145	1.9359
142	Aspen	927	145	1.9359
143	Evergreen	1275	170	2.2697
144	Evergreen	1275	170	2.2697
145	Aspen	927	145	1.9359
146	Aspen	927	145	1.9359

100.0000

**3.4 Parking Units and Storage Units.** There are no Parking or Storage Units in Stage I. The Declarant is reserving the option, but has no obligation, to create Parking and/or Storage Units in subsequent stages.

**3.5 Description of Staged Development.** The Declarant proposes to develop the Condominium in several stages, with the maximum number of Units, additional common elements and election dates to be as follows:

3.5.1 The maximum number of Units to be included in the Condominium development is one hundred seventy-five (175). The maximum number of Parking Units and Storage Units which may be created are seventy-five (75) and one hundred (100), respectively.

3.5.2 The additional general common elements to be annexed at each stage of development shall include the portion of the Condominium buildings not included within a Unit or a limited common element and the land and landscaping. There is an existing swimming pool and restroom building in the apartment complex. This facility will not be included in Stage I but will be included in the Condominium if all of the Units reserved for annexation are annexed. The Declarant is reserving the right to annex the swimming pool and swimming pool building at any stage of the development. Prior to its annexation, there shall be granted to the Condominium an easement over and through the balance of the apartment complex to reach the swimming pool and for use of the pool during the time it is open for use. An amount has been included in the assessment for the operation of the swimming pool, since it will either be an easement right for the members of the Association or be a part of the Condominium at a subsequent date of annexation. Additional common elements that may be annexed beyond those in the existing apartment complex include garage or carport structures which may be constructed to house Parking Units and buildings which may be constructed or spaces remodeled to house Storage Units. All such structures, including any paving, shall be general common elements, excepting for that portion of the structures which are Parking Units or Storage Units.

3.5.3 The Declarant hereby reserves the right to construct Units, the floor plans of which differ from those of Units in Stage I or which have larger or smaller floor areas. However, the exterior style of the buildings shall be compatible with those of buildings in Stage I. Allocation of undivided interest in the common elements shall be based upon the assessment index of each Unit as set forth in Section 3.3, less .0001 percent assigned to any Parking Unit and/or Storage Unit and arbitrarily adding or subtracting .0001 percent for one or more Units to make the total percentage assignments in the common elements among all Units, Parking Units and Storage Units 100.0000 percent.

3.5.4 The Declarant shall have until seven (7) years from the date this Declaration is recorded to annex the real property in subsequent stages, except that, pursuant to ORS 100.105(3), the Declarant may seek an amendment to the Declaration providing for an extension, not to exceed two (2) years after such date, to annex



additional property. All annexations shall be effected, if at all, by Declarant's execution and recordation of one or more Supplemental Condominium Declarations.

3.5.5 The real property that is annexed with Units of subsequent stages need not be contiguous to the Real Property.

3.5.6 Nothing in this Declaration or the Bylaws shall oblige the Declarant to develop any additional Units, Parking Units or Storage Units or to annex any additional real property that it may currently plan to develop or annex to the Condominium. All references in this Declaration and the Bylaws to subsequent development are permissive, not mandatory, and no such reference shall constitute a representation or warranty that such subsequent development actually shall occur. The Declarant reserves all rights of ownership and control with respect to any additional property it may own, including, without limitation, the right to hold, transfer, encumber and develop such property as the Declarant may determine.

#### 4. GENERAL COMMON ELEMENTS.

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

4.1.1 The land, landscaping, fences and driveways;

4.1.2 The foundations, columns, girders, beams, supports, shear and bearing walls, main walls, roofs, halls, corridors, lobbies, stairs, fire escapes, entrances and exits of the building (s) ;

4.1.3 The basements, yards, gardens, laundry rooms, recreational facilities, parking areas and outside storage spaces (other than Storage Units possibly created in subsequent stages);

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

4.1.5 The tanks, pumps, motors, fans, compressors, ducts and, in general, all apparatus and installations existing for common use;

4.1.6 General common element parking spaces; and

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

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

**4.3 Income From General Common Elements.** All income derived from any coin-operated vending machines and/or any other income derived from the general common elements shall be income of the Association. In its discretion, the Board of Directors may use such income to help meet the expense of maintaining the common elements or for such other purpose as may benefit the Association and the Unit owners in a substantially equal manner.

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

**5.1 Definitions.**

5.1.1 Each of the patios and/or decks and any storage areas located on a deck or patio is a limited common element appertaining to the Unit which it adjoins as shown on the Plat.

5.1.2 Each of the numbered parking spaces is a limited common element appertaining to the Unit to which they are assigned as set forth on Exhibit "B."

**5.2 Maintenance, Repair and Replacement of Limited Common Elements.** Except as otherwise specifically provided in this Declaration, the cost of maintenance, repair and replacement of the limited common elements shall be a common expense, which shall be assessed and apportioned pursuant to Section 10.6 of this Declaration, and the performance of such work shall be the responsibility of the Association, except that any damage caused by the negligence or intentional act of an owner or his invitee, guest or servant shall be repaired by the Association at such owner's sole cost and expense. Common expenses shall be apportioned among and assessed against the owners as set forth in Section 10.6 below. Provided, however, each owner shall pay the expense to maintain any door or garage door within or adjoining the limited common elements assigned to such owner's Unit (including the doors to limited common element garages and those doors within or adjoining Parking Units and Storage Units in the limited common element garage building), except that exterior painting shall be performed at the expense of the Association.

**6. PARKING.**

**6.1 Limited Common Element Parking.** Each Unit has one or more parking spaces appertaining to it as a limited common element, as more particularly set forth in Section 5 and Exhibit "B" of this Declaration. The structures covering any of the limited common element parking spaces are a part of the general common elements of the Condominium. All owners shall use the limited common element parking space assigned to their Unit as a limited common element for parking of their primary household vehicle.

The occupants of any Unit shall park no more than two (2) vehicles at the Condominium, including the one parked in the limited common element parking space, unless a Parking Unit is created and owned by a Unit owner, in which case an extra vehicle could be parked in the Parking Unit. Occupants of the Unit shall register their vehicles with the Board of Directors, or its designee. Vehicles (except those parked wholly within a fully enclosed Parking Unit) shall be limited to cars, pickups, and regular size sports utility vehicles.

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

**7. VOTING.** The owner or co-owners of each Unit shall be entitled to one (1) vote per Unit. No voting rights shall appertain to any Parking Units or Storage Units created in subsequent stages. "Majority" or "Majority of Unit Owners" shall mean the owners of more than fifty percent (50%) of the voting rights allocated to the Units by the Declaration. The calling and conducting of meetings of the Association and the exercise of voting rights shall be controlled by Articles 2 and 3 of the Bylaws.

**8. USE OF PROPERTY.**

**8.1 General.** Each Unit shall be used for residential purposes only. The common elements shall be used for the furnishing of services and facilities for the enjoyment of the Unit owners. Subject to the restrictions and regulations set forth in the Bylaws and rules or regulations adopted pursuant to the provisions or the Bylaws of this Declaration, such owner shall have an easement and right to enjoy the general common elements for the manner for which they are intended.

**8.2 Rules and Regulations Promulgated by the Association.** The Board of Directors shall have the authority from time to time to promulgate such rules and regulations as the Board may deem to be in the best interest of the Association. No person shall use the common elements, the Units, Parking Units or Storage Units (if any are created) or any part thereof in any manner contrary to or inconsistent with such rules and regulations. Without limiting the generality of the foregoing, the Board of Directors shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the common elements to the members of the Association and their respective families, guests, invitees and servants. Such use may be conditioned upon, among other things: (a) the payment by the Unit owner of assessments

for common expenses and such other assessments or fees as may be established by the Association for the purpose of defraying the costs associated with the use of such common elements and the administration and operation of the Condominium property; and (b) the observance by the Unit owner and his guests, tenants, invitees and servants, of the provisions of the Declaration, the Bylaws and the Association's rules and regulations. The Board of Directors shall have the authority to fine such owners who are not in compliance with the rules and regulations. The amount and the procedure to impose such fines shall be established by Board resolution.

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

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

**10. BYLAWS; ASSOCIATION; MANAGEMENT.**

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

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

**10.3 Management; Board of Directors.** The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws. The Board of Directors shall elect officers consisting of a chairperson, secretary and treasurer and such other officers as the Board of Directors deems prudent or convenient. Pursuant to the provisions of the Bylaws and the Oregon Condominium Act, the Board of Directors may adopt administrative rules and

regulations governing details of the operation, maintenance and use of the Condominium property. The Board of Directors may contract with a professional manager or management firm to manage some or all of the affairs of the Association.

**10.4 Interim Board and Officers.** The Declarant has reserved control over the administration of the Association by reserving the right in the Bylaws to appoint an interim Board of Directors to manage the Condominium until the turnover meeting. The turnover meeting shall be held within ninety (90) days after the earlier of the following dates: the date on which seven (7) years has elapsed since the date of the first conveyance of a Unit to a person other than the Declarant or the date on which seventy-five percent (75%) of the total number of Units which the Declarant may annex to the Condominium have been conveyed to persons other than the Declarant. The one (1) to three (3) members of the interim board shall also serve as the interim officers.

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

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

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

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

12. **MORTGAGEES.** In the event of a conflict between this Section 12 and other provisions of this Declaration or any Supplemental Condominium Declaration, the provisions of this Section 12 shall prevail. The terms "Mortgage" and "Mortgagee" are defined in Section 1 of this Declaration.

12.1 **Notice of Action.** Upon the written request of a Mortgagee to the Association, identifying the name and address of such Mortgagee and the Unit number or address of the Unit on which such Mortgagee holds a Mortgage, such Mortgagee shall be entitled to timely notice of the following:

12.1.1 Any condemnation loss or casualty loss that affects a material portion of the Condominium or any Unit on which such Mortgagee holds, insures, or guarantees a Mortgage;

12.1.2 Any delinquency remaining uncured for sixty (60) or more days in the payment of assessments or charges owed by an owner of a Unit on which such Mortgagee holds, insures or guarantees a Mortgage;

12.1.3 Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

12.1.4 Any proposed action that would require the consent of a specified portion of Mortgagees, as set forth in this Section 12.

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

12.3 **Subordination of Association Lien to Mortgage; Discharge of Lien Upon Foreclosure.** The lien of the Association shall be subordinate to any first Mortgage and to other liens which have priority pursuant to the applicable law except as provided in ORS 100.450. Any Mortgagee that comes into possession of the Unit pursuant to the remedies provided in the Mortgage, by foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue before such Mortgagee comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units, including the mortgaged Unit).

12.4 **Professional Management.** Upon the written request of the Mortgage holders of at least fifty-one percent (51%) of the Mortgages on Units in the Condominium, the Board of Directors shall employ a professional manager to manage the affairs of the Association.

Thereafter, the Association may not terminate professional management and assume self-management of the Condominium without the prior written approval of the holders of fifty-one percent (51%) of the first Mortgages on Units in the Condominium. Additionally, if professional management has been required previously by any Mortgagee, any such decision to establish self-management shall require prior consent of the owners of Units to which sixty-seven percent (67%) of the votes in the Association are allocated. Any agreement for professional management shall provide that the management contract may be terminated for cause on thirty (30) days' written notice.

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

**12.6 Consent of Mortgagees Required to Terminate Project.** Except with respect to termination of the Condominium as a result of destruction, damage or condemnation, any termination of the Condominium shall require the prior written approval of holders of fifty-one percent (51%) of the first Mortgages on Units in the Condominium. Additionally, any such termination shall be carried out by the owners pursuant to provisions of the Declaration, any applicable Supplemental Condominium Declaration, the Articles of Incorporation, the Bylaws and the Oregon Condominium Act and shall be carried out only after a vote of the owners, as provided in such provisions.

**12.7 Limited Right of Amendment.** Except upon the approval of Mortgagees that hold fifty-one percent (51%) of the first Mortgages on Units in the Condominium, no amendment that adds to or amends any material provision that establishes, provides for, governs or regulates any of the following may be made to the Declaration or the Bylaws:

12.7.1 Voting;

12.7.2 Assessments, assessment liens or subordination of liens;

12.7.3 Reserves for maintenance, repair and replacement of the common elements (or Units, if applicable);

12.7.4 Insurance or fidelity bonds;

12.7.5 Rights to use of the common elements;

12.7.6 Responsibility for maintenance and repair of the several portions of the Condominium;

12.7.7 Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium except has provided herein;

12.7.8 Boundaries of any Unit;

12.7.9 Interests in the general or limited common elements;

12.7.10 Convertibility of Units into common elements, or of common elements into Units;

12.7.11 Leasing of Units;

12.7.12 Imposition of any right of first refusal or similar restriction on the right of a Unit owner to sell, transfer or otherwise convey his or her Unit; and

12.7.13 Any provisions that are for the express benefit of Mortgagees.

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

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

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

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



reasonable fee for supplying any copies requested by owners, prospective purchasers, lenders and Mortgagees.

**12.11 Right to Receive Annual Reports.** Upon written notice, any Mortgagee shall be entitled to an audited financial statement for the immediately preceding fiscal year, free of charge to the parties so requesting. Such financial statements shall be furnished within a reasonable time following such request. Audited financial statements shall be available within 120 days of the fiscal year-end.

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

**12.13 List of Mortgagees.** The Association shall maintain at all times a list of Mortgagees, which list shall include their names, addresses, the Units and mortgagors affected, and the matters with respect to which such Mortgagees have requested notice, provided that such information has been furnished to the Association by the owners or their Mortgagees.

**13. AMENDMENTS TO DECLARATION.** Except where a larger percentage of approval is required by law, this Declaration may be amended from time to time by approval of Unit owners holding seventy-five percent (75%) or more of the voting rights as otherwise set forth in this Declaration. Provided, however, that this Declaration shall not be amended to reduce or eliminate the right of any Mortgagee without the prior written consent of all such Mortgagees.

**13.1 Declarant's Approval Required.** The Declarant's prior written consent shall be required for any amendment to the Declaration until the earlier of the following dates: the date on which seventy-five percent (75%) or more of the Units in the last stage of the Condominium have been conveyed to owners other than the Declarant and the date on which seven (7) years have elapsed since the first conveyance of a Unit in the Condominium. Provided, however, that even thereafter, no amendment may limit or reduce any of the Declarant's special rights, whether reserved herein or otherwise provided by law. Except with respect to permitted Supplemental Condominium Declarations annexing additional property to the Condominium, no amendment may change the size, location, percentage of interest in the common elements, method of determining liability for common expenses, right to common profits or voting power of any Unit(s) unless such amendment has been approved by the owners and the Mortgagees of the affected Unit(s).

**13.2 Recordation/County Assessor and Commissioner Approval Required.** An amendment to the Declaration shall be effective upon recordation in the Deed Records of Clackamas County, Oregon, certified to by the chairperson and secretary of the Association and approved by the County Assessor and the Real Estate Commissioner. Approval by the Commissioner shall not be required for an amendment to a declaration transferring the right of use of a limited common element pursuant to ORS 100.515(5).

**13.3 Supplemental Declarations.** At the Declarant's sole option, the Declarant may execute and record one or more Supplemental Condominium Declarations, the provisions of which are consistent with Section 3.5 above, without the consent or approval of the Board of Directors, the Association, the Unit owners, or any Mortgagee(s).

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

**15. RELOCATION OF BOUNDARIES.** The owner or owners of any two (two) adjoining Condominium Units may apply to the Board of Directors of the Association for permission to change the sizes of their Units by adjusting the common boundary between the two (2) Condominium Units or to consolidate the two (2) Condominium Units into one (1) Unit by deleting the common boundary. Any such application shall identify the Condominium Units involved, state any reallocations of the affected Units' interest in common elements interests or of Unit owners' voting rights, liability for common expenses, and right to receive common profits. The Board of Directors shall approve such an application unless it determines that the proposed reallocations are unreasonable or that the proposed relocation or deletion would impair the structural integrity or mechanical systems of the Condominium or would reduce the support of any portion of the Condominium. If approved, a proposed change would become effective upon recording in the appropriate records of Clackamas County, Oregon, of an amendment to this Declaration and of a floor plan both setting forth the proposed change, executed by the owners and Mortgagees of the affected condominium Units and certified to by the Chairperson and Secretary, together with any governmental approvals required by law. All costs in connection with such amendments shall be paid by the applicants.

**16. AUTHORITY TO GRANT EASEMENTS, RIGHTS-OF-WAY, LICENSES AND OTHER SIMILAR INTERESTS/ENCROACHMENTS.**

**16.1 General.** The Association shall have the authority to execute, acknowledge, deliver and record easements, rights-of-way, licenses and other similar interests affecting the general common elements on behalf of the Unit owners, provided that the granting of any such interest has been approved by at least seventy-five percent (75%) of the Unit owners. An instrument granting any such interest shall be executed by the chairperson and secretary of the Association and acknowledged in the manner provided for acknowledgment of such instruments by such officers and shall state that such grant was approved by at least seventy-five percent (75%) of the Unit owners.

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

Unit, whether or not it shall be expressed in such deed or contract, for himself and his successors in interest, irrevocably appoints Benjamin Stutz of Portland, Oregon, or his nominee, as his lawful attorney-in-fact for the purpose of executing any and all documents required or permitted to be executed hereunder. The power of attorney and the rights under this Section shall expire at such time as the Declarant no longer owns a Unit or three (3) years from the date this Declaration or any Supplemental Declaration is recorded, whichever is earlier.

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

**16.4 Air Conditioning/Heat Pump Easements.** Several of the Units in the Condominium are serviced by air conditioners/heat pumps outside of their Unit which air conditioner/heat pumps are located in the common elements and the service line of which run through the common elements to the Units. There shall exist easements for the maintenance, replacement and repair of these air conditioners/heat pumps. There shall also exist easements for other Units to place air conditioners/heat pumps in the common elements and connect the service lines to their Units, the placement of which shall be subject to the prior written approval of the Board of Directors with respect to the location. If the Board of Directors determines in its sole and unfettered discretion that the heat pump cannot be located in a way which makes it aesthetically acceptable to the Board of Directors, the request for location of the air conditioner/heat pump may be denied. Any owner making use of this easement shall pay the cost for the connection and upon its removal for repair of the area where the air conditioner/heat pump has been located.

**17. DECLARANT'S SPECIAL RIGHTS.** The Declarant shall have the following special rights:

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

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

**17.3 No Capital Assessments Without Consent.** Neither the Association nor the Board of Directors shall make any assessments for new construction, capital improvements, acquisition or otherwise without the prior written consent of the Declarant, as long as the period for annexing Units has not expired or as long as the Declarant owns the greater of two (2) Units or five percent (5%) of the total number of Units in the Condominium. Nothing contained in this

Section 17.3 shall be construed to limit the Declarant's obligation to pay assessments for common expenses on Units owned by the Declarant pursuant to requirements of the Oregon Condominium Act.

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

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

**17.6 Declarant's Other Special Rights.** The rights reserved to the Declarant in this Section 17 shall in no way limit any other special rights that the Declarant, as a declarant, may have, whether pursuant to the Oregon Condominium Act or otherwise. Upon the expiration of any or all such special rights, the Declarant shall have the same rights as any other owner in the Condominium with respect to such ownership.

**17.7 No Rent Restrictions on Declarant Owned Units.** The Association shall be prohibited from amending its documents or enacting rules to limit or restrict the rental of Units owned by the Declarant for residential occupancy. Such prohibition shall extend to successor declarants who assume all of the Declarant's obligations as set forth in this Declaration or the Oregon Condominium Act.

**17.8 Assignment of Declarant's Rights.** The Declarant shall have the right to assign any and all of its rights, including, without limitation, Declarant's special rights, as set forth in this Section 17, or to share such rights with one (1) or more other persons exclusively, simultaneously, or consecutively.

**17.9 Expiration of Declarant's Special Rights.** Unless otherwise provided, the Declarant's special rights, as reserved in this Section 17, shall expire upon the conveyance by the Declarant of the last Unit owned by the Declarant or seven (7) years after the first conveyance of a Unit in the Condominium, whichever is earlier.

**18. RIGHT TO MAKE ADDITIONS TO COMMON ELEMENTS.** The Declarant is reserving the right to create additional common elements consisting of part of the Condominium buildings, land, pavement, landscaping and parking space. However, the Declarant is not reserving the right to create subsequent recreational amenities. An existing pool and pool building is expected to be annexed to the Condominium in a subsequent stage. However, the Declarant is not binding itself to annex this amenity.

**19. CROSS EASEMENTS/JOINTLY MAINTAINED PROPERTY.** The following cross easements are hereby declared between the Real Property and other real property which may be, but is not required to be, annexed to the Condominium:

**19.1 Access.**

19.1.1 The Declarant, for itself and its successors and assigns hereby reserves an easement over all roadways and driveways now existing or in the future constructed on the Stage I Real Property and to construct and maintain new roadways and driveways on such Real Property if none exist sufficient to serve as a means of ingress and egress to real property that may be annexed in the future to the Condominium all for the benefit of such real property, or any portion thereof. Such easement shall run with the land and shall continue perpetually, unless and until and to the extent the benefitted real property is annexed to the Condominium. The benefitted real property is described in Exhibit "D."

19.1.2 The Declarant hereby grants an easement to owners of Units and the Association over the roadway and driveways now existing or in the future constructed on the real property described in Exhibit "D" for purpose of ingress and egress to the Units and common elements of the Condominium. Such easement shall run with the land and shall continue perpetually, unless and until and to the extent the burdened real property is annexed to the Condominium.

**19.2 Access Easement Unrestricted.** The easements reserved in Section 19 may be used by Declarant, its successors and assigns as a means of ingress and egress to the benefitted real property for any purposes, including, without limitation, access for construction and service vehicles and access by residents to Condominium Units, apartments or single-family attached or detached homes constructed on all or part of the real property that is annexed in the future to the Condominium.

**19.3 Utility Easements.** Easements for utility services of all kinds now customarily available or which may become available in the future are reserved over all portions of the Stage I Real Property, excepting those portions covered by the Condominium buildings for the benefit of the real property described on Exhibit "D." Installation of utility lines shall be done at the expense of the benefitted owner and shall be installed, maintained and repaired in a manner such as to interfere with the use of the Stage I Real Property by the owners of Units in Stage I as little as reasonably practical under the existing circumstances.

**19.4 Swimming Pool Easements.** Until the swimming and related facilities are annexed to the Condominium, the owners of Units, their tenants and guests shall have a right to use the swimming pool facilities and cross over the grounds between the Condominium property and the swimming pool to access the swimming pool. This easement shall expire at such time if ever the swimming pool is annexed to the Condominium. As a condition of the use of the easement, the Condominium Association shall pay a proportionate share of the maintenance, upkeep and repair of the swimming pool based on the number of Condominium Units and the number of apartments in the balance of the complex.

**19.5 Maintenance and Repair Costs.** Maintenance, repairs and replacement costs of the roadway and driveway easements described in Section 19.1 shall be apportioned among the users (including owners of Units in Stage I) in an equitable manner. If agreement on an equitable apportionment cannot be reached by the parties benefitted, the apportionment shall

be done equally among all the residential "living units," (i.e., Condominium Units, apartments and single-family attached or detached homes).

**19.6 Repair of Damaged Property.** Notwithstanding any other expense apportionment set forth in this Section 19, any party damaging any utility installation or roadway/driveway improvement within an easement area shall be responsible for the cost to repair such damage.

**19.7 Assignments.** The Declarant may assign in whole or in part the reserved easements described in this Section 19 when the Declarant transfers title to such Real Property or any part thereof.

**19.8 Easements Run With the Land.** All of the easements reserved in this Section 19 shall run with the land and shall be perpetual.

**19.9 No Amendment Without Declarant's Consent.** As provided in Section 13.1, the easements reserved in this Section 19 shall not be extinguished or restricted without the written consent of the Declarant and its successors and assigns.

**19.10 Jointly Maintained Carport Buildings.** Prior to annexation to the Condominium of all property which the Declarant has reserved the right to annex, several limited common element parking spaces pertaining to units in Stage I are located in carport buildings which are partially within the Condominium and partially outside the Condominium. The Association and the Declarant shall jointly maintain and repair these carport buildings on the basis of the number of parking spaces which are limited common elements pertaining to units within the Condominium and the number of parking spaces which have not yet been annexed to the Condominium.

## **20. GENERAL PROVISIONS.**

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

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

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

**20.4 Legal Proceedings.** Failure to comply with any of the terms of the Declaration, any Supplemental Condominium Declaration, the Articles of Incorporation, the Bylaws and any rules or regulations adopted thereunder shall be grounds for relief, which may include, without limitation, fining the noncomplying owner, bringing an action to recover money due, damages or a suit for injunctive relief, or an action to foreclose a lien, or any combination thereof. Relief may be sought by the Association, Board of Directors, an officer, a professional manager or management firm, or, if appropriate, by an aggrieved Unit owner.

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

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

**20.7 Conflicting Provisions.** In the event of a conflict between or among the provisions of the Declaration, Articles of Incorporation, the Bylaws and any administrative rules and regulations, the provisions of the Declaration shall be paramount to those of the Bylaws and the rules and regulations, and those of the Articles of Incorporation shall be paramount to those of the Bylaws, and the Bylaws shall be paramount to the rules and regulations. For purposes of this Section 20.7, the term "Declaration" shall include all amendments and supplements to this Declaration, and the term "Bylaws" shall include all amendments to the Bylaws.

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

The undersigned Declarant of the subject property has caused this Declaration to be executed this 6 day of November, 2000.

TANGLEWOOD ASSOCIATES, LLC, a Delaware limited liability company

By: Pomeroy Stutz Investors, LLC, a Michigan limited liability company, Manager of Tanglewood Associates, LLC

By: Pomeroy Stutz Management, LLC, a Michigan limited liability company, Manager of Pomeroy Stutz Investors, LLC

By: [Signature]  
Benjamin R. Stutz, Manager

STATE OF OREGON )  
 ) ss.  
County of Muscoqui )

6 November, 2000

Personally appeared before me the above-named Benjamin R. Stutz who, being duly sworn, did say that he is the Manager of Pomeroy Stutz Management, LLC, a Michigan limited liability company, which is a Manager of Pomeroy Stutz Investors, LLC, a Michigan limited liability company, which is a Manager of Tanglewood Associates, LLC, a Delaware limited liability company, and that said instrument was signed in behalf of said company by authority of its Board of Directors; and they acknowledged said instrument to be its voluntary act and deed.



[Signature]  
Notary Public for Oregon

The foregoing Declaration is approved pursuant to ORS 100.110 this 22nd day of November, 2000 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,  
Real Estate Commissioner

By: [Signature]  
Brian DeMarco



The foregoing Declaration is approved pursuant to ORS 100.110 this 7<sup>TH</sup> day of DECEMBER, 2000.

COUNTY ASSESSOR

*Ray Erland*

By: *James D. Hruby - DEPUTY*

CONSENT: The undersigned, \_\_\_\_\_, which currently holds a security interest in the Real Property being subjected to the Oregon Condominium Act by this Declaration, hereby consents to this Declaration.

By: \_\_\_\_\_

Its: \_\_\_\_\_

EXHIBIT "A"

The premises are in Clackamas County and are described as follows:

A portion of Blocks 3 and 6, "MOUNTAIN PARK NO. 8", situated in the Northeast and Northwest quarters of Section 5, Township 2 South, Range 1 East, Willamette Meridian, Clackamas County, State of Oregon, being more particularly described as follows:

Parcel 1:

Portion of Block 3

Commencing at the Southeast corner of said Block 3, said point being marked with a found 5/8" iron rod; thence South 89°58'01" West, a distance of 144.41 feet to the initial point, said point being marked with a 5/8" iron rod with a yellow plastic cap marked "W.B. Wells & Assoc. Inc."; thence continuing along said South line of Block 3, South 89°58'01" West, a distance of 19.00 feet; thence leaving said South line, North 00°22'18" East, a distance of 27.23 feet; thence North 89°37'42" West, a distance of 35.50 feet; thence North 40°23'26" West, a distance of 37.95 feet; thence North 08°16'49" West, a distance of 58.70 feet; thence North 89°56'27" East, a distance of 20.50 feet; thence North 00°03'33" West, a distance of 31.99 feet; thence along a non-tangent curve concave to the North through a central angle of 63°37'19", an arc distance of 169.89 feet, the chord of which bears South 89°35'33" West, a distance of 161.30 to a point of non-tangency; thence South 33°50'19" West, a distance of 54.61 feet; thence South 00°12'47" East, a distance of 103.31 feet to a point on the Southerly line of said Block 3; thence along the arc of a 260.10 foot non-tangent radius curve concave to the Northeast through a central angle of 75°19'32", chord bears North 37°39'46" West, a distance of 317.85 feet, an arc distance of 341.95 feet to a point of tangency; thence North, a distance of 100.00 feet to the Northwest corner of said Block 3; thence along the Northerly line of said Block 3, North 72°00'38" East, a distance of 185.92 feet; thence leaving said Northerly line, South 11°09'39" East, a distance of 58.36 feet; thence East, a distance of 34.93 feet; thence South 19°00'41" West, a distance of 33.14 feet; thence South 70°59'19" East, a distance of 34.49 feet; thence South 02°21'38" East, a distance of 78.14 feet; thence South 36°17'35" West, a distance of 68.14 feet; thence along a non-tangent curve concave to the North, having a radius of 170.00 feet, through a central angle of 59°41'26", an arc distance of 177.11 feet, the chord of which bears South 85°38'28" East, a distance of 169.20 feet to a point of non-tangency; thence East, a distance of 77.00 feet; thence South 00°22'18" West, a distance of 160.00 feet to the initial point.

TOGETHER WITH:

Portion of Block 6

Parcel 2:

Commencing at the Northeast corner of Block 6, said point being marked by a found 5/8" iron rod; thence along the Northeasterly line of said Block 6, North 39°24'49" West, a distance of 219.47 feet to the point of beginning, said point being marked by a found 5/8" iron rod with a yellow plastic cap marked "W.B. Wells & Assoc. Inc."; thence leaving said Northeasterly line of Block 6, South 43°55'30" West, a distance of 65.32 feet; thence South 00°15'21" East, a distance of 75.84 feet; thence North 89°44'39" East, a distance of 104.30 feet; thence South 00°15'21" East, a distance of 119.90 feet; thence South 55°25'59" West, a distance of 82.83 feet; thence North 89°55'54" West, a distance of 68.30 feet; thence North 16°58'27" West, a distance of 123.63 feet; thence North 00°14'00" East, a distance of 27.00 feet; thence South 89°46'00" East, a distance of 23.50

EXHIBIT "A"

feet; thence North  $00^{\circ}14'00''$  East, a distance of 77.22 feet; thence North  $46^{\circ}04'30''$  West, a distance of 33.79 feet; thence North  $43^{\circ}55'30''$  East, a distance of 58.00 feet; thence South  $46^{\circ}04'30''$  East, a distance of 31.00 feet; thence North  $43^{\circ}55'30''$  East, a distance of 53.53 feet to a point being on the Northeasterly line of said Block 6; thence along the arc of a 339.59 foot radius curve concave to the Southwest through a central angle of  $03^{\circ}27'01''$ , chord bears South  $41^{\circ}08'20''$  East, a distance of 20.45 feet, an arc distance of 20.45 feet to the point of beginning.

**EXHIBIT B**

**Assignment of Limited Common Element Parking**

<u>Unit Number</u>	<u>Carport Number ("CN")</u>	<u>Parking Space ("PS")</u>
5	90	
6	87	
7	89	
8	86	
9	88	
10	85	
11		2
12	123	
13		1
14	121	
15	122	
16	120	
17		3
18	115	
19		4
20	114	
21		5
22	113	
61	1	
62	2	
63	4	
64	3	
65	28	
66	30	
67	27	
68	29	
69	83	
70	81	
71	82	
72	84	
73	79	
74	32	
75	80	
76	31	
77	77	
78	75	
79	78	
80	76	

<u>Unit Number</u>	<u>Carport Number ("CN")</u>	<u>Parking Space ("PS")</u>
81	74	
82	33	
83	73	
84	34	
101	60	40
102	59	41
139	9	
140	26	
141	10	
142	25	
143	5	
144	7	
145	6	
146	8	

EXHIBIT "D"

LEGAL DESCRIPTION

BLOCK 3 AND A PORTION OF BLOCK 6, " MOUNTAIN PARK NO. 8", SITUATED IN THE NORTHEAST AND NORTHWEST QUARTERS OF SECTION 5, TOWNSHIP 2 SOUTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CLACKAMAS COUNTY, STATE OF OREGON, BEING MORE PARTICULARLY DESCRIBED AS PARCEL I AND PARCEL II IN DEED TO TANGLEWOOD ASSOCIATES LLC, RECORDED MARCH 24, 2000 AS DOCUMENT NO. 2000-018868, CLACKAMAS COUNTY DEED RECORDS:

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS:

PARCEL I

COMMENCING AT THE SOUTHEAST CORNER OF SAID BLOCK 3, SAID POINT BEING MARKED WITH A FOUND 5/8" IRON ROD; THENCE SOUTH 89°58'01" WEST, A DISTANCE OF 144.41 FEET TO THE INITIAL POINT, SAID POINT BEING MARKED WITH A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP MARKED "W.B. WELLS & ASSOC. INC."; THENCE CONTINUING ALONG SAID SOUTH LINE OF BLOCK 3, SOUTH 89°58'01" WEST, A DISTANCE OF 19.00 FEET; THENCE LEAVING SAID SOUTH LINE, NORTH 00°22'18" EAST, A DISTANCE OF 27.23 FEET; THENCE NORTH 89°37'42" WEST, A DISTANCE OF 35.50 FEET; THENCE NORTH 40°23'26" WEST, A DISTANCE OF 37.95 FEET; THENCE NORTH 08°16'49" WEST, A DISTANCE OF 58.70 FEET; THENCE NORTH 89°56'27" EAST, A DISTANCE OF 20.50 FEET; THENCE NORTH 00°03'33" WEST, A DISTANCE OF 31.99 FEET; THENCE ALONG A NON-TANGENT CURVE CONCAVE TO THE NORTH THROUGH A CENTRAL ANGLE OF 63°37'19", AN ARC DISTANCE OF 169.89 FEET, THE CHORD OF WHICH BEARS SOUTH 89°35'33" WEST, A DISTANCE OF 161.30 TO A POINT OF NON-TANGENCY; THENCE SOUTH 33°50'19" WEST, A DISTANCE OF 54.61 FEET; THENCE SOUTH 00°12'47" EAST, A DISTANCE OF 103.31 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID BLOCK 3; THENCE ALONG THE ARC OF A 260.10 FOOT RADIUS CURVE CONCAVE TO THE NORTHEAST THROUGH A CENTRAL ANGLE OF 75°19'32", CHORD BEARS NORTH 37°39'46" WEST, A DISTANCE OF 317.85 FEET, AN ARC DISTANCE OF 341.95 FEET TO A POINT OF TANGENCY; THENCE NORTH, A DISTANCE OF 100.00 FEET TO THE NORTHWEST CORNER OF SAID BLOCK 3; THENCE ALONG THE NORTHERLY LINE OF SAID BLOCK 3, NORTH 72°00'38" EAST, A DISTANCE OF 185.92 FEET; THENCE LEAVING SAID NORTHERLY LINE, SOUTH 11°09'39" EAST, A DISTANCE OF 58.36 FEET; THENCE EAST, A DISTANCE OF 34.93 FEET; THENCE SOUTH 19°00'41" WEST, A DISTANCE OF 33.14 FEET; THENCE SOUTH 70°59'19" EAST, A DISTANCE OF 34.49 FEET; THENCE SOUTH 02°21'38" EAST, A DISTANCE OF 78.14 FEET; THENCE SOUTH 36°17'35" WEST, A DISTANCE OF 68.14 FEET; THENCE ALONG A NON-TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 170.00 FEET, THROUGH A CENTRAL ANGLE OF 59°41'26", AN ARC DISTANCE OF 177.11 FEET, THE CHORD OF WHICH BEARS SOUTH 85°38'28" EAST, A DISTANCE OF 169.20 FEET TO A POINT OF NON-TANGENCY; THENCE EAST, A DISTANCE OF 77.00 FEET; THENCE SOUTH 00°22'18" WEST, A DISTANCE OF 160.00 FEET TO THE INITIAL POINT.

EXHIBIT "D"

PARCEL II

COMMENCING AT THE NORTHEAST CORNER OF BLOCK 6, SAID POINT BEING MARKED BY A FOUND 5/8" IRON ROD; THENCE ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 6, NORTH 39°24'49" WEST, A DISTANCE OF 219.47 FEET TO THE POINT OF BEGINNING, SAID POINT BEING MARKED BY A FOUND 5/8" IRON ROD WITH A YELLOW PLASTIC CAP MARKED "W.B. WELLS & ASSOC. INC."; THENCE LEAVING SAID NORTHEASTERLY LINE OF BLOCK 6, SOUTH 43°55'30" WEST, A DISTANCE OF 65.32 FEET; THENCE SOUTH 00°15'21" EAST, A DISTANCE OF 75.84 FEET; THENCE NORTH 89°44'39" EAST, A DISTANCE OF 104.30 FEET; THENCE SOUTH 00°15'21" EAST, A DISTANCE OF 119.90 FEET; THENCE SOUTH 55°25'59" WEST, A DISTANCE OF 82.83 FEET; THENCE NORTH 89°55'54" WEST, A DISTANCE OF 68.30 FEET; THENCE NORTH 16°58'27" WEST, A DISTANCE OF 123.63 FEET; THENCE NORTH 00°14'00" EAST, A DISTANCE OF 27.00 FEET; THENCE SOUTH 89°46'00" EAST, A DISTANCE OF 23.50 FEET; THENCE NORTH 00°14'00" EAST, A DISTANCE OF 77.22 FEET; THENCE NORTH 46°04'30" WEST, A DISTANCE OF 33.79 FEET; THENCE NORTH 43°55'30" EAST, A DISTANCE OF 58.00 FEET; THENCE SOUTH 46°04'30" EAST, A DISTANCE OF 31.00 FEET; THENCE NORTH 43°55'30" EAST, A DISTANCE OF 53.53 FEET TO A POINT BEING ON THE NORTHEASTERLY LINE OF SAID BLOCK 6; THENCE ALONG THE ARC OF A 339.59 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST THROUGH A CENTRAL ANGLE OF 03°27'01", CHORD BEARS SOUTH 41°08'20" EAST, A DISTANCE OF 20.45 FEET, AN ARC DISTANCE OF 20.45 FEET TO THE POINT OF BEGINNING.