

BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
CARLISLE CONDOMINIUM

*Recorded
Set*

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. Name and Location. These are the bylaws of the unincorporated ASSOCIATION OF UNIT OWNERS OF CARLISLE CONDOMINIUM (hereinafter the "Association"). Carlisle Condominium (hereinafter the "condominium") is located in the City of Portland, Multnomah County, Oregon, and has been submitted to the Oregon Condominium Act by a declaration filed simultaneously herewith (hereinafter "the Declaration"). The location of the condominium is more specifically described in the Declaration.

Section 2. Principal Office. The principal office of the Association shall be located at such address as may be designated by the Board of Directors from time to time.

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

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

Section 5. Composition of Association. The Association shall be composed of all the unit owners of the condominium, including Cable Hill L.L.C., an Oregon limited liability company (hereinafter "the Declarant"), and the Association, itself, to the extent any of these own any unit or units of the condominium.

Section 6. Definitions. Except as otherwise provided herein, the definitions contained in or adopted by the Declaration shall be applicable to these Bylaws.

Section 7. Incorporation. Upon approval by a majority vote of the unit owners, the Association may be incorporated under the Oregon Non-Profit Corporation law. In such event, the Articles of Incorporation shall be consistent with the Declaration and these Bylaws, and these Bylaws shall constitute the Bylaws of the incorporated association.

*RETURN TO:
FNT
401 SW 4th Ave.
POB, OR 97204*

ARTICLE II

ASSOCIATION MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Membership in the Association. Upon becoming legal owner or contract purchaser of a unit, said owner shall automatically be a member of the Association and shall remain a member of the Association until such time as his ownership ceases for any reason. Unit ownership shall be determined, for all purposes of the Bylaws and the administration of the property, from the record of unit ownership maintained by the Association. The Board of Directors may, at its discretion, require that a unit owner file with the Association satisfactory proof of ownership, including a copy of the deed to or land sale contract for his unit, to which shall be affixed the certificate of the recording office of the County of Multnomah, Oregon, showing the date and place of recording of such deed or contract. Notwithstanding the foregoing, the Declarant shall be the owner of all previously unsold units, although no deed or land sale contract, with respect to such units, has been filed with the Association.

Section 2. Voting. The owners of each unit shall have one vote. The Declarant shall be entitled to vote as the unit owner of any previously unsold units. The Board of Directors shall be entitled to vote as to any units owned by the Association. Whenever any unit is owned by two or more persons jointly, according to the records of the Association, the vote of such unit may be exercised by any one of the owners then present, in the absence of protest by a co-owner. In the event of such protest, no one co-owner shall be entitled to vote without the approval of all co-owners. In the event of disagreement among the co-owners, the vote of such unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

Section 3. Binding Vote; Percent of the Vote. The term "binding vote" shall mean more than fifty percent (50%) of the vote of the unit owners, present in person or by proxy, at a meeting at which a quorum is constituted. Such binding vote shall bind all unit owners for all purposes except where a higher percentage vote is required by law, by the Declaration or by these Bylaws. The term "percent of all votes" shall mean a percent of all the voting rights allocated to the units by the Declaration.

Section 4. Majority Vote. The term "majority vote" or "majority of unit owners" means more than fifty percent (50%) of the voting rights allocated to the units by the Declaration.

Section 5. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of a majority of unit owners shall constitute a quorum. A subsequent joinder of a unit owner in the action taken at a meeting by signing and conferring 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 the unit owner or owners. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may

adjourn the meeting from time to time until a quorum is present, as provided in Article III, Section 8 of these Bylaws.

Section 6. Proxies. A vote may be cast in person or by proxy. A proxy given by a unit owner to any person who represents such owner at meetings of the Association shall be in writing and signed by such owner, and shall be filed with the Secretary. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon sale of the unit by its owner. A unit owner may pledge or assign his voting rights to a mortgagee. In such a case, the mortgagee or its designated representative shall be entitled to receive all notices to which the unit owner is entitled hereunder and to exercise the unit owner's voting rights from and after the time that the mortgagee shall give written notice of such pledge or assignment to the Board of Directors. Any first mortgagee may designate a representative to attend all or any meetings of the Association.

Section 7. Fiduciaries. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any unit owned or held by such person in such capacity, whether or not the same shall have been transferred to his name; provided, that he shall satisfy the Secretary that he is the executor, administrator, guardian or trustee, holding such unit in such capacity.

Section 8. Authority to Vote. All owners shall be entitled to vote, and this shall be true if they have leased their premises to a third party. An owner's right to vote may not be revoked.

ARTICLE III

MEETINGS OF THE ASSOCIATION

Section 1. Place of Meetings. Meetings of the Association shall be held at such suitable place convenient to the unit owners as may be designated by the Board of Directors.

Section 2. Informational Meetings. The initial meeting of the Association shall be the transitional committee meeting or the turnover meeting as provided below. However, prior to such meeting, the Declarant may call meetings of the unit owners, formally or informally, for such purposes as Declarant deems necessary or appropriate.

Section 3. Turnover Meeting. Within ninety (90) days of the earlier of: a) the date of conveyance to persons other than the Declarant of seventy-five percent (75%) of the units, or b) three years from the date the first unit is conveyed, the Declarant shall call a meeting of the unit owners for the purpose of transferring control of the Association to all unit owners, including Declarant. Notice of such meeting shall be given to each unit owner at least seven (7) but not more than fifty (50) days prior to the meeting and shall state the purpose and the time and place where it is to be held. At such turnover meeting, the interim Board of Directors will resign and successor directors will be elected by the unit owners as provided in

Article IV, Section 3, of these Bylaws. At such meeting the Declarant shall deliver to the Association such information and documents as may be required by the Act.

The Declarant may, at its option, call the turnover meeting prior to the time specified herein; if Declarant has not called a meeting within the time specified herein, the meeting may be called and notice given by any unit owner or any first mortgagee of a unit.

In order to facilitate an orderly transition, during the three-month period following the turnover meeting the Declarant or an informed representative shall be available to meet with the Board of Directors on at least three mutually acceptable dates to review the documents delivered to the Association.

Section 4. Transitional Committee. Within sixty (60) days of conveyance to persons other than the Declarant of fifty percent (50%) of the units, Declarant shall call a meeting of the unit owners for the purpose of forming a transitional committee. Notice of such meeting shall be given to each unit owner at least seven (7) but not more than fifty (50) days prior to the meeting and shall state the purpose and the time and place where it is to be held. The transitional committee shall be advisory only and shall consist of two or more members selected by unit owners other than the Declarant and may include not more than one representative of the Declarant. The members shall serve until the turnover meeting. The function of the committee shall be that of enabling ease of transition from control of the administration of the Association by the Declarant to control by the unit owners. The committee shall have access to the information, documents and records which the Declarant is required to turn over to the Association at the turnover meeting.

Declarant shall not be required to call a meeting for the purpose of forming a transitional committee if Declarant has called the turnover meeting within the time specified herein. However, if neither the turnover meeting nor the transitional committee meeting has been called within the time specified herein, the transitional committee meeting may be called and notice given by any unit owner.

Section 5. Ballot Meetings. Any meeting of the Association (other than the turnover meeting, the transitional committee meeting, and special meetings called by petition of unit owners) may be by proxy ballot, as the Board of Directors may elect, rather than a formal gathering. Ballots for such meetings must be properly executed and returned in sufficient quantity to constitute a quorum and to pass the proposal specifically propounded on the ballot. The vote of a ballot meeting shall be determined by the Board of Directors within forty-eight (48) hours of the deadline for return of ballots. Each unit owner shall be notified by mail or other delivery of written notice of the results of the ballot meeting or that a quorum of ballots was not returned, within ten (10) days after the ballots have been counted.

Section 6. Annual Meeting. The first annual meeting of the Association shall be held approximately one year following the turnover meeting and shall be set by action of the Board of Directors. The date of successive annual meetings may be changed from time to time, but must be held annually. At such meetings those members of the Board of Directors whose terms have expired shall be elected by the unit owners in accordance with the provisions of

Article IV, Section 3, of these Bylaws. The unit owners may also transact such other business of the Association as may properly come before them.

Section 7. Special Meetings. It shall be the duty of the Chairman to call a special meeting of the unit owners as directed by the resolution of the Board of Directors or upon a petition signed by at least thirty percent (30%) of the unit owners, according to their voting rights, having been presented to the Secretary. All meetings called because of petition of unit owners shall be held at a formal gathering and not by ballot. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of all the unit owners or as otherwise set out in these Bylaws.

Section 8. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each meeting of the unit owners stating the purpose thereof and the time and place where it is to be held, to each owner of record, at least seven (7) days but not more than fifty (50) days prior to such meeting or the date when ballots for a ballot meeting are required to be returned. The mailing shall be to the owner's address last given to the Secretary in writing by the unit owner. If unit ownership is split or the unit has been sold on a contract, notice shall be sent to a single address, of which the Secretary has been notified in writing by such parties. If no address has been given to the Secretary in writing, then mailing to the condominium unit shall be sufficient. The mailing or actual delivery of a notice in the manner provided in this Section shall be considered notice served. Notice of a meeting may be waived by any unit owner before or after the meeting.

Section 9. Adjourned Meetings. If any gathering of unit owners is not a legal meeting because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called. No notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place. The adjournment provisions of this Section do not apply to meetings by ballot.

Section 10. Order of Business. The order of business at meetings of the unit owners shall be as follows:

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

ARTICLE IV

BOARD OF DIRECTORS QUALIFICATIONS, ELECTION, MEETINGS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons. All directors must be the owner or the co-owner of a unit. For purposes of this Section, the officers of any corporate owner, the partners of any partnership, and the members of any limited liability company shall be considered co-owners of any units owned by such corporation, partnership, or limited liability company. The qualifications for or number of directors set forth herein do not apply to interim directors appointed by Declarant.

Section 2. Interim Directors. Upon the recording of the Declaration, the Declarant will appoint an interim board of one to three directors who shall serve until replaced by Declarant or until their successors have been elected by the unit owners as hereinafter provided.

Section 3. Election and Term of Office. At the turnover meeting, the interim directors shall resign and three successors shall be elected as herein provided. The term of office of one director shall be fixed at three (3) years, the term of office of one director shall be fixed at two (2) years, and the term of office of one director shall be fixed at one (1) year. Should more directors be added, the same sequential election terms shall apply as nearly as is practicable. At the expiration of the initial term of office of each director, his successor shall be elected to serve a term of three (3) years. The directors shall hold office until their successors have been elected and hold their first meeting. Upon agreement by binding vote of the unit owners, the Board of Directors may be elected by a single ballot with each owner permitted to vote for three (3) nominees, the director receiving the largest number of votes serving for the three-year term, the director receiving the second largest number of votes serving for the two-year term, and the director receiving the third largest number of votes serving for the one-year term.

Section 4. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum, or by a sole remaining director. Each person so elected shall be a director until a successor is elected upon expiration of the term for which such person was elected by the other directors to serve. Vacancies in the interim Board of Directors shall be filled by Declarant.

Section 5. Removal of Directors. At any legal annual or special meeting, other than a meeting by ballot, any one or more of the directors, other than interim directors, may be removed with or without cause, by binding vote of the unit owners, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the unit owners may be given an opportunity to be heard at the meeting.

Section 6. Open Meetings. All meetings of the Board of Directors shall be open to unit owners. However, unit owners may not participate in the Board meetings without the permission of the Board of Directors. For other than emergency meetings, notice of the time and place of directors' meetings shall be posted at a place or places on the condominium at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform unit owners of such meetings.

Section 7. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order to legally hold such meeting, providing a majority of the newly elected directors are present.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman or Secretary or on the written request of at least two (2) directors. Special meetings of the Board of Directors may be called on three (3) days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place, and purpose of the meeting.

Section 10. Conference Call Meetings. In emergency situations, meetings of the Board of Directors may be conducted by telephonic communication. Such telephonic meetings may be carried on by means of a "conference call" in which each director may speak with any of the other directors. The directors shall keep telephone numbers on file with the Chairman to be used for telephonic meetings.

Section 11. Waiver of Notice. Before, at, or after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice to such directors shall be required, and any business may be transacted at such a meeting.

Section 12. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the existing directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Compensation of Directors. No director shall be compensated in any manner, except for out-of-pocket expenses not exceeding \$100 in any three (3) month period, unless such compensation is approved by binding vote of the unit owners.

ARTICLE V

ASSOCIATION RESPONSIBILITIES; BOARD OF DIRECTORS' POWERS AND DUTIES

Section 1. Association Responsibilities. The Association will have the responsibility of administering the condominium, approving the annual budget, establishing and collecting assessments, arranging for the operation, management, and maintenance of the condominium, including negotiating and contracting with and supervising any person, persons, or business entity with respect to such matters, instituting, defending or intervening in litigation or proceedings in its own name or on behalf of two or more unit owners with respect to any cause of action relating to the condominium or more than one unit, and taking such other actions and exercising such other powers as are authorized by the provisions of the Act as the same may be amended from time to time.

Section 2. Board's Powers and Duties. The Board of Directors shall have all powers and duties necessary to carry out the responsibilities of the Association and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the unit owners; specifically and without limitation, the Board of Directors shall have authority to carry out and be responsible for the following matters:

(a) Operation, care, upkeep, maintenance, repair and supervision of the general common elements and the limited common elements, except to the extent this obligation is imposed on the unit owner in these Bylaws.

(b) Determination of the amounts required for operation, maintenance and other affairs of the Association; preparation and adoption of operating budgets; and setting assessments therefor.

(c) Collection of assessments from the unit owners, both pro rata assessments and individual assessments.

(d) Payment of all common expenses of the Association and institution and maintenance of a voucher system for such payment, which shall require a sufficient number of signatories on checks and vouchers thereon as shall be reasonably necessary to prevent any misuse of Association funds.

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

(f) Employment of legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association, and preparing and filing any required tax returns or forms.

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

(h) Purchasing units of the condominium at foreclosure or other judicial sales in the name of the Association, or its designee, on behalf of all the unit owners as provided in these Bylaws. In any foreclosure action instituted by the Board of Directors, the Board shall enter a bid at the sale for the amount of the unpaid lien and costs and expenses incurred in such action. No other purchase of a unit can be undertaken unless the unit owners have authorized the purchase by majority vote.

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

(j) Obtaining insurance or bonds pursuant to the provisions of these Bylaws.

(k) Making additions and improvements to, or alterations of, the common elements; provided, however, that no such project may be undertaken by the Board if the total cost will exceed the amount of \$2,500 unless the project has been approved by majority vote of the unit owners. This limitation shall not be applicable to repairs or maintenance undertaken pursuant to subparagraph (a) above.

(l) Executing, acknowledging, delivering and recording on behalf of the unit owners leases, easements, rights of ways, licenses and other similar interests affecting the general common elements or consenting to vacations of roads after the granting of such interests or consents has been approved by the unit owners as provided in the Declaration.

(m) Promulgation of rules and regulations governing the condominium and use thereof which shall be consistent with the restrictions set out in Article IX of these Bylaws.

(n) Leasing the storage units in the basement (which are general common elements) to individual units owners on such terms and conditions as the Board deems appropriate, including charging monthly rent to the unit owner for the use of the storage unit; provided, however, that no such lease shall be for longer than two years.

(o) Permitting unit owners to park bicycles, motorcycles or motor scooters in the garage of the building on such terms and conditions as the Board deems appropriate, so long as such permit does not materially and adversely interfere with other unit owners' use of assigned parking spaces for vehicles; regardless of whether rent or other fees are charged for such permit, such permit shall be personal to the permittee and shall continue in effect until such permittee ceases to occupy a unit in the condominium, but shall not be assignable or transferable by the permittee to others.

now

(p) Entering into leases or similar agreements (including renewal or cancellation of existing agreements) for the purpose of providing washer and dryer facilities in the basement in the building, on such terms and conditions as the Board deems appropriate.

(q) Enforcement by legal means or otherwise of the provisions of the Act, the Declaration, these Bylaws and any rules and regulations adopted hereunder.

Section 3. Reports and Audits; Record Keeping.

(a) The Board 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, and shall keep any other financial records sufficient for proper accounting purposes.

(b) An annual report consisting of a balance sheet and income and expense statement for the preceding year shall be distributed by the Board of Directors to all unit owners, and to all mortgagees of units who have requested the same, within ninety (90) days after the end of each fiscal year. From time to time the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association. At any time any unit owner or mortgagee may, at his own expense, cause an audit or inspection to be made of the books and records of the Association.

(c) The Board of Directors shall maintain at all times the records and documents of the Association, including those received from Declarant at the turnover meeting. Such records and documents shall be reasonably available for examination by a unit owner or a mortgagee; upon written request from the unit owner or mortgagee such records and documents shall be made available for duplication. The Board shall maintain copies, suitable for duplication, of the Declaration, Bylaws, rules and regulations (and amendments thereto), current operating budget, and the most recent annual report. Upon written request of a prospective purchaser, such copies and documents shall be made available for duplication during reasonable hours. The Board may charge a reasonable fee for furnishing copies to a unit owner, mortgagee or prospective purchaser.

Section 4. Managing Agent. The Board of Directors may employ a managing agent, to be compensated in an amount established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties otherwise delegated to the Secretary or Treasurer in Article VI of these Bylaws. The managing agent shall have the right to contract with any unit owner, individually or collectively with other unit owners, for the management or lease of a particular unit or units.

Section 5. Annual Report. After the turnover meeting described in Article III, Section 3, has been held, the Board or its designee shall annually prepare and deliver to the office of the Oregon Real Estate Agency, not later than the "report date", an annual report as provided in the Act. The "report date" shall be the anniversary date on which the Condominium Information Report was filed with the Oregon Real Estate Agency. The annual report shall set forth:

- (a) The name of the Association;
- (b) The name of the condominium and the county in which the condominium is located;
- (c) The mailing address, including the street and number, if any, and county of the Association;
- (d) The name and residence or business address, including the street and number, of the person designated as agent to receive service of process in cases provided in ORS 100.550(1) and any other legal proceeding relating to the condominium or Association; if the designated agent has been changed since the last annual report was filed, the report shall contain a statement that the new agent has consented to the appointment; and
- (e) The names and addresses of the Chairman and Secretary of the Association.

Within thirty (30) days after there is a change in the information contained in a report, the Board or its designee shall prepare and deliver to the Oregon Real Estate Agency an amendment in accordance with the Act, which amendment shall set forth:

- (a) The name of the Association as shown on the current records of the Office of the Real Estate Agency;
- (b) The name of the condominium and county in which the condominium is located;
- (c) A statement of the information as changed; and
- (d) If the current designated agent is to be changed, the name of the new designated agent and residence or business address, including the street and number, and a statement that the new agent has consented to the appointment.

The reports and amendment shall be made on forms prescribed and furnished by the Real Estate Agency, shall be accompanied by one exact or conformed copy and the correct filing fee, shall contain information current as of thirty (30) days before delivery for filing, shall be executed by the designated agent and the Chairman or Secretary of the Association and shall state beneath or opposite the signature the name of the person and the capacity in which the person signs; and shall contain any additional identifying information that the Real Estate Agency may require by rule.

ARTICLE VI

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a Chairman, who shall be a member of the Board of Directors, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Chairman shall be a unit owner. The Secretary and Treasurer need not be unit owners. The interim board of directors may elect one person to hold two or more offices.

The Board may appoint an Assistant Treasurer and an Assistant Secretary, and any such other officers as in their judgment may be necessary or desirable.

Section 2. Election of Officers. The officers of the Association shall be elected by the Board of Directors at the organizational meeting of each new Board or any Board meeting thereafter, and shall hold office at the pleasure of the Board. 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 called for that purpose.

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

Section 4. Chairman. The Chairman shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the chief executive officer of an association, including, but not limited to, the power to appoint committees from among the unit owners from time to time as he may in his discretion decide is appropriate to assist the Board of Directors in the conduct of the affairs of the Association.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. He shall attend to the giving and serving of all notices to the unit owners and directors. He shall have charge of such records of the Association as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary and as may be required by the directors.

Section 6. Treasurer. The Treasurer shall have responsibility for Association funds and securities not otherwise held by the managing agent, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the preparation of all required financial statements. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. He shall perform all other duties incident to the office of Treasurer and as may be required by the directors.

Section 7. Directors as Officers. Any director may be an officer of the Association.

Section 8. Compensation of Officers. No officer shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by binding vote of the unit owners.

ARTICLE VII

EXPENSES AND ASSESSMENTS

Section 1. Assessments. All unit owners are obligated to pay assessments imposed by the Board of Directors to meet all the common expenses and for such other reasons and purposes as provided in the Bylaws. The term "assessment", as used in the Declaration or Bylaws, means any charge imposed or levied by the Association on or against a unit owner or unit pursuant to the Declaration, the Bylaws, or the Act. Assessments may not be waived due to limited or nonuse of common elements or abandonment of a unit.

Section 2. Deferring Commencement of Assessments. Except with respect to reserves described in Section 5 of this Article, Declarant may elect to defer commencement of all or part of common expense assessments as to all units in the condominium. If Declarant so elects to defer commencement of all or part of common expense assessments, Declarant shall pay as they accrue and be responsible for all or part of the common expenses attributable to the condominium for which assessments have been deferred, until assessments commence for all common expenses. Declarant shall give not less than ten (10) days written notice to all affected unit owners prior to the commencement of common expense assessments if such a deferral occurs.

Section 3. Determination of Common Expenses. Common expenses shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common elements.
- (c) Cost of insurance or bonds obtained in accordance with these Bylaws.
- (d) Cost of funding reserves.
- (e) Any deficit in common expenses for any prior period.
- (f) Utilities for the common elements and other utilities with a common meter or commonly billed.
- (g) Any other items properly chargeable as an expense of the Association or properly assessed against a unit owner or owners as provided herein.
- (h) Any other items agreed upon as common expenses by all unit owners.

Section 4. Annual Budget. The initial budget and estimated assessment shall be determined by Declarant. The budget and assessment shall thereafter be subject to review by the Board of Directors. The Board shall from time to time, and at least annually, estimate the expenses to be incurred during the coming year or fiscal period, and determine the annual assessment and any special assessments to be paid during such year or period. Account shall be taken of any expected income and any surplus available from the prior year's operations. The budget may provide for reserves for working capital and unexpected contingencies. If any sums estimated and budgeted for any purpose prove inadequate for any reason (including a unit owner's failure to pay assessments for any reason) the Board may at any time levy a further assessment.

Section 5. Reserve Accounts for Replacement of Common Elements. The initial budget determined by Declarant shall make provision for a reserve account or accounts for replacement of those common elements which will normally require replacement in more than three (3) and less than thirty (30) years. The amount assessed shall take into account the estimated remaining life of such items and the current replacement cost thereof. The amount of payments to the reserve account shall be adjusted at regular intervals to recognize changes in current replacement costs over time.

The reserve account must be funded by assessments against the individual unit assessed for maintenance of items for which the reserve account is established. For example, if a unit or units are assessed separately for maintenance of a particular limited or general common element, the same unit or units will be assessed separately for any reserve account established for that particular limited or general common element.

The assessment for the reserve account will accrue from the time of the conveyance of the first individual unit assessed; however, Declarant may elect to defer payment of the accrued assessment for any unsold unit until the time of conveyance of that unit.

The reserve account shall be established in the name of the Association. It is to be used only for replacement of common elements and shall be kept separate from the general operating account of the Association. However, after the turnover meeting the Board of Directors may borrow funds from the reserve account to meet high seasonal demands on the regular operating funds or to meet other temporary expenses which will later be paid from special assessments or maintenance fees.

Following the second year after the turnover meeting, future assessments for the reserve account may be reduced, eliminated or increased by an affirmative vote of unit owners holding not less than 75 percent of all votes.

Section 6. Special Assessments for Capital Improvements. In the case of any duly authorized capital improvements to the common elements, the Board of Directors may establish separate assessments for the same and maintain the proceeds from such assessments in separate accounts.

Section 7. Assessments Allocated to Each Unit; Individual Assessments. Except as otherwise provided, all unit owners shall be assessed in accordance with the undivided interest in the common elements allocated to each unit by the Declaration. However, unit owners may be assessed additional amounts individually for common expenses incurred through such unit owner's fault or direction. Further, unit owners may be assessed additional amounts individually for fines, charges and expenses in the process of collection of assessments and enforcement of the Declaration, Bylaws, and rules and regulations pursuant to Article VIII, and as otherwise provided in these Bylaws.

Section 8. Omission of Budget and Assessments. The omission by the Board before the expiration of any fiscal year to fix the budget, estimate the expenses, and/or determine the assessment for the forthcoming year shall not be deemed a waiver or modification in any respect of the provision of these Bylaws, or a release of the unit owner from the obligation to pay the assessment or any installment thereof; the assessments fixed for the preceding year and any unpaid portions of prior special assessments shall continue until new assessments are fixed.

Section 9. Debt Obligation; Installment; Interest. Each assessment shall be the joint and several personal obligation of the owner or owners of the unit as of the time it is assessed. Assessments shall be paid monthly. Any assessment or installment thereof unpaid when due shall be delinquent and shall bear interest at twelve percent (12%) per annum from its due date until paid.

Section 10. Association's Lien Against Unit. The Association, upon complying with ORS 100.450 or as the same may be amended, shall have a lien upon the individual unit and undivided interest in the common elements appertaining to such unit for any unpaid assessments and interest. The lien shall be prior to all other liens or encumbrances upon the unit except:

- (a) tax and assessment liens, and
- (b) a prior mortgage or trust deed of record.
- (c) notwithstanding subparagraph (b) above, the Association's lien shall also be prior to the lien of any prior mortgage or trust deed of record for the unit and the undivided interest in the common elements if:

(1) The Association has given the lender under the mortgage or trust deed ninety (90) days prior written notice that the owner of the unit is in default in payment of an assessment. The notice shall contain: (i) name of the borrower; (ii) recording date and recording information of the trust deed or mortgage; (iii) name of condominium, unit owner and unit identification; and (iv) amount of unpaid assessment; the notice must also set forth the following in 10-point type: "NOTICE: The lien of the Association may become prior to that of the lender pursuant to ORS 100.450"; and

(2) The lender has not initiated judicial action to foreclose the mortgage or requested an issuance of a trustee's notice of sale under the trust deed or accepted a deed in lieu of foreclosure in the circumstances described in Section 11 of this Article prior to the expiration of ninety (90) days following the notice by the Association; and

(3) The Association has provided the lender, upon request, with copies of any liens filed on the unit, a statement of the assessments and interest remaining unpaid on the unit and other documents which the lender may reasonably request; and

(4) The borrower is in default under the terms of the mortgage or trust deed as to principal and interest; and

(5) A copy of the notice has been verified, filed and recorded in the manner prescribed in 100.450(3).

Section 11. Deed in Lieu of Foreclosure. A deed in lieu of foreclosure accepted by the holder of a first mortgage or the beneficiary of a first deed of trust in respect to a unit shall have the effect of extinguishing a lien of the Association filed to secure unpaid assessments in the following circumstances:

(a) Written notice has been given to the Association, addressed to the individual authorized to accept service of process, sent by first class mail, return receipt requested, notifying the Association of the mortgagee or beneficiary's intent to accept a deed in lieu of foreclosure and stating that the lien of the Association may be extinguished in the circumstances specified in this section; and

(b) The deed in lieu of foreclosure is recorded not later than thirty (30) days after the date the notice is mailed to the Association.

Any assessment lien filed by the Association after receipt of the notice described above and less than thirty (30) days before the deed in lieu of foreclosure is recorded, shall also be extinguished without further notice or action.

Section 12. Transferee's Liability for Unpaid Share of Common Expenses.

(a) Where the purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage or trust deed, such purchaser, his successors and assigns, shall not be liable for any unpaid assessments against such unit or its owner which became due prior to the acquisition of title to such unit by such purchaser. Such unpaid assessments shall be a common expense of all the unit owners including such purchaser, his successors and assigns.

(b) In a voluntary conveyance of a unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor of the unit to the time of the grant or 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 or the unit, and the grantee in that case shall not be liable for, nor shall the unit when conveyed be subject to, a lien filed thereafter for any unpaid assessments against the grantor in excess of the amount therein set forth.

Section 13. Statement of Common Expenses and Assessments. The Board of Directors shall promptly provide any unit owner who makes a request in writing with a written statement of his unpaid assessments.

ARTICLE VIII

COLLECTION OF ASSESSMENTS; ENFORCEMENT

Section 1. Compliance With Declaration, Bylaws, Rules and Regulations. Each unit owner shall comply with the Declaration, Bylaws, and rules and regulations adopted pursuant thereto, as well as with such other covenants, conditions and restrictions contained in the deed to the unit. Failure to comply therewith shall be ground for an action maintainable by the Association or by an aggrieved unit owner.

Section 2. Authority to Enforce and Collect. The Board of Directors, on behalf of the Association, shall take prompt action against any violator to enforce the provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto, including prompt action to collect any unpaid assessment. In doing so, the Board may exercise one or more of the remedies, separately or concurrently, specified in this Article, as well as any other remedies which may be available at law or in equity.

Section 3. Abatement and Enjoining of Violations. In the event of the violation of the Declaration, Bylaws, or any rules or regulations adopted pursuant thereto, the Board of Directors shall have the right to:

(a) enter the unit or limited common element in which or as to which such violation exists and summarily abate and remove, at the expense of the unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the documents (except that judicial proceedings must be instituted before items of construction can be altered or demolished), and the Board and its agents shall not thereby be deemed guilty of any manner of trespass; and/or

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

Section 4. Late Charges; Fines. The Board may, if it deems appropriate, impose charges for late payments of assessment, attorney fees for collection of assessments, and, after giving notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and rules and regulations adopted pursuant thereto.

Section 5. Acceleration of Assessment. In the event that a unit owner fails to pay an installment of an assessment when it is due, the Board may, after ten (10) days written notice, declare the defaulting unit owner's entire annual or special assessment due immediately and interest thereafter shall accrue on the entire assessment at twelve percent (12%) per annum until paid.

Section 6. Foreclosure of Lien Against Unit; Appointment of Receiver; Power to Bid at Foreclosure Sale. The Board of Directors, on behalf of the Association, may bring suit to foreclose the lien against the unit pursuant to ORS 100.450. In any such foreclosure suit, the unit owner shall be required to pay reasonable rental for the unit. The plaintiff in such foreclosure suit shall be entitled to the appointment of a receiver to collect the rent. The Board of Directors, acting on behalf of the unit owners, shall have the power to bid for the unit at the foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same, subject to the restrictions in Article V, Section 2(h).

Section 7. Action to Obtain and Recover a Money Judgment. The Board of Directors, on behalf of the Association, may bring an action to obtain a money judgment against a unit owner for damages and/or for unpaid assessments. An action to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same referred to in Article VII, Section 10 of these Bylaws.

Section 8. Termination of Utility Services or Access to Facilities. The Board of Directors may adopt rules regarding the termination of utility services paid for out of assessments of the Association and access to and use of recreational or service facilities available to unit owners and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such benefits or services until the correction of any violation covered by such rule has occurred.

Section 9. Attorney's Fees. In addition to any other provision in the Bylaws with respect to attorney fees, in any suit or action brought by the Association to foreclose its lien, collect delinquent assessments, or to enforce compliance with the terms and provisions of the Act, the Declaration or Bylaws, all amendments or supplements thereto, or any rules or regulations adopted thereunder, the prevailing party shall be entitled to recover reasonable attorney fees therein and in any appeal therefrom.

ARTICLE IX

MAINTENANCE AND USE OF CONDOMINIUM PROPERTY

Section 1. Maintenance and Repair.

(a) Each unit owner must perform promptly all cleaning, maintenance and repair work within his own unit (including the deck if it is part of the unit), which if omitted would affect the common elements of the condominium or a part thereof belonging to other unit owners, and shall be responsible for the damages and liabilities that his failure to do so may cause.

(b) Each unit owner shall be responsible for the repair, maintenance, or replacement of windows, doors, and any plumbing, heating or air conditioning fixtures, telephones, water heaters, fans, lighting fixtures and lamps, fireplaces and flues, refrigerators, dishwashers, ranges, ovens, or other appliances and accessories that may be in or connected with his unit, regardless of whether such items are designated common elements.

(c) Each unit owner shall keep the parking spaces that are designated as limited common elements appurtenant to his unit in a neat, clean and sanitary condition. The owners of Units 41, 43, 45, and 47 shall each keep the deck assigned to the individual unit in a neat, clean and sanitary condition, and shall jointly keep the deck assigned to all four units in a neat, clean and sanitary condition.

(d) A unit owner shall promptly reimburse the Association for any expenditures incurred in repairing or replacing any common element damaged through his fault or at his direction, as provided in Article X, Section 7, of the Bylaws.

(e) All other maintenance, repair and replacement to the general and limited common elements shall be made by the Association as a common expense.

Section 2. Use of Units; Internal Changes; Alterations.

(a) All units shall be used for residential purposes only, and all common elements shall be used in a manner conducive to such purposes. A unit owner shall be permitted to lease or rent his unit or any part thereof to others. Any lease or rental agreement shall provide that the terms of said agreement shall be subject in all respects to the provisions of the Declaration, Bylaws, and rules and regulations adopted by the Board of Directors and that any failure by the tenant to comply with the terms of such documents shall be a default under said agreement. A unit owner may be assessed individually for common expenses incurred through such tenant's fault or direction and for fines, charges and expenses incurred in enforcing the Declaration, Bylaws, and rules and regulations with respect to such tenant. All such agreements that provide for a tenancy in excess of one month shall be in writing, and copies shall be given to the Board of Directors.

(b) A unit owner shall make no repair or alteration or perform any other work on his unit which would jeopardize the soundness or safety of the condominium, reduce the value thereof, impair any easement or hereditament or increase the common expenses of the Association unless the consent of all the other unit owners affected is first obtained. Subject to this limitation, however, a unit owner may:

(i) Make any improvements or alterations to his unit that do not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium.

(ii) After acquiring an adjoining unit or an adjoining part of an adjoining unit, may submit a written request to the Board of Directors for permission to remove or alter any intervening partition or to create apertures therein, even if the partition in whole or in part is a common element. The Board of Directors shall approve the change unless it determines within forty-five (45) days that the proposed change will impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium. The Board of Directors may require the unit owner, at his own expense, to submit an opinion of a registered architect or registered professional engineer that the proposed change will not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries.

Section 3. Use of the Common Elements. A unit owner shall not place or cause to be placed in the lobbies, balconies, porches, decks, ramps, vestibules, stairways, and other condominium areas and facilities of a similar nature, any furniture, packages, or objects of any kind, except that suitable furniture may be placed on the decks and balconies, if any. A unit owner may not change the appearance of the common elements or the exterior appearance of a unit without permission of the Board of Directors. Subject to limitations contained in these Bylaws, a unit owner may use the common elements in accordance with the purposes for which they are intended; but a unit owner may not hinder or encroach upon the lawful rights of the other unit owners.

Section 4. Relocation of Boundaries.

(a) The boundaries between adjoining units, including any intervening common elements, may be relocated or eliminated by an amendment to the Declaration. The owners of the affected units shall submit to the Board of Directors a proposed amendment which shall identify the units involved, state any reallocations of common element interest, voting rights, common expense liability and right to common profits and contain words of conveyance. The Board of Directors shall approve the amendment unless it determines within forty-five (45) days that the reallocations are unreasonable or the relocation or elimination will impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium.

(b) The Board of Directors may require the owners of the affected units to submit an opinion of a registered architect or registered professional engineer that the proposed relocation or elimination will not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium.

(c) The Board of Directors or any agent appointed by the Board of Directors may supervise the work necessary to effect the boundary relocation or elimination.

(d) The amendment shall be executed by the owners and mortgagees or trust deed beneficiaries of the affected units, certified by the Chairman and Secretary of the Association and approved and recorded in accordance with ORS 100.135(1)(b).

(e) A plat necessary to show the altered boundaries between the adjoining units shall be recorded in accordance with ORS 100.115.

(f) Any expenses incurred under this Section shall be charged to the owners of the units requesting the boundary relocation or elimination.

Section 5. Rules of Conduct. The following rules of conduct apply to all unit owners and all other persons using the condominium in any manner.

(a) Without prior written approval of the Board of Directors, no advertisements, posters, or signs of any kind shall be displayed to public view on or from any unit or the common elements except signs used by Declarant to advertise units for sale or lease.

(b) All persons shall exercise extreme care about creating disturbances, making noises, or using musical instruments, radios, television, and amplifiers that may disturb other residents.

(c) No pets of any kind shall be raised, kept or permitted within the condominium, or any part thereof, without the prior written approval of the Board of Directors, which approval shall be at the Board of Directors' sole discretion. The Board of Directors shall not approve a pet that is likely to weigh more than twenty five (25) pounds as an adult. In the event of any such approval, the pet owner shall at all times strictly comply with the provisions of this Section, any additional rules and regulations adopted by the Board of Directors, and all municipal or other laws and regulations relating to pets, including but not limited to leash and licensing laws. No pet owner shall permit his pet to bark or otherwise annoy in any manner other unit owners. The Board of Directors shall have the right to require removal of a pet from the condominium after sending two (2) notices in writing to the unit owner of violations of any provision of this Section or such other rules and regulations governing pets as may be adopted by the Board of Directors.

(d) No garments, rugs, and similar items shall be hung from the windows or from any of the facades, decks, porches, or stairways of the condominium. It is prohibited to hang or shake dust rags, mops, and similar items from the windows or decks, porches or stairways, or to clean such items by beating them on an exterior part of the buildings.

(e) No garbage, trash or other waste shall be deposited or maintained on any part of the common elements except in areas or containers designated for such items.

(f) No person shall install wiring for electrical or telephone installation, television antenna, machines or air conditioning units, or similar devices on the exterior of the condominium or cause them to protrude through the walls or the roof of the condominium except as authorized by the Board of Directors. No exterior window guards, awnings, or shades, or

exterior lights or noise making devices shall be installed without the prior consent of the Board of Directors.

(g) In order to preserve the attractive appearance of the condominium, the Board of Directors may regulate the nature of items which may be placed in or on windows, decks, patios, balconies, porches and the outside walls so as to be visible from other units, the common elements or outside the condominium. All such items shall be maintained in a neat, clean and sanitary manner by the unit owner. All windows shall be covered with material that is white or lined with white, or as the Board approves.

(h) The parking spaces, if any, designated as general common elements in the Declaration are intended for use of automobiles of only unit owners, tenants, and guests. The Board may make such rules necessary to govern the use of any parking spaces by which all unit owners and other users shall be bound.

(i) No trucks, boats, house trailers, motorhomes, pickup campers, mobile homes, or like recreational vehicles shall be used for residential purposes, nor shall they be stored or parked on the common elements except in areas, if any, specifically so designated by the Board of Directors.

(j) No commercial activities of any kind shall be carried on in any unit or in any other portion of the condominium without the consent of the Board of Directors, except activities relating to the rental or sale of units. This provision, however, shall not be construed so as to prevent or prohibit a unit owner from maintaining his professional personal library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls, or occasionally conferring with business or professional associates, clients or customers, in his unit.

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

(l) No person shall carry on any criminal activities in the condominium.

Section 6. Additional Rules Adopted by Board of Directors. In addition, the Board of Directors from time to time may adopt, modify, or revoke such other rules and regulations governing the conduct of persons and the operation and use of the units and common elements as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the condominium. Such rules and regulations may be modified or repealed by binding vote of the unit owners. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Secretary promptly to each unit owner and shall be binding upon all unit owners and occupants of all units from the date of delivery.

ARTICLE X

INSURANCE AND BONDS

Section 1. Insurance ("Master Policy"). For the benefit of the Association and the unit owners, the Board of Directors shall secure and maintain the following insurance coverage and shall pay for the same out of the common expense funds.

(a) Fire and Extended Coverage. A policy or policies of property insurance equal to full replacement value (i.e., one hundred percent (100%) of current "replacement" cost) exclusive of land, foundation, excavation, and other items normally excluded from coverage of a condominium project, but including all buildings, units, service equipment and the like and any fixture or equipment within an individual unit which is financed under a mortgage, with an Agreed Amount and Inflation Guard Endorsement or its equivalent, if available. Such policy or policies shall name the Declarant, the Association, and the unit owners as insureds and shall provide for a separate loss payable in favor of all mortgagees, their successors and assigns. Such policy or policies shall provide protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and by vandalism and malicious mischief. Such policy or policies may provide protection against loss or damage from windstorm, water damage, and such other risks as are customarily covered in similar condominium projects. Such policy or policies shall be with an insurer with a policy holder's rating of at least B and a financial rating of not less than III (or as an alternative an A general) under Best's Insurance Reports. In no event shall such policy or policies have a deductible clause in excess of One Thousand Dollars (\$1,000) per unit.

(b) Liability Coverage. A comprehensive policy or policies insuring the Association, the unit owners individually, the Board of Directors, and the manager, if any, against liability to the public, the unit owners, and their invitees or tenants, incident to the ownership, supervision, control or use of the property. There may be excluded from the policy required under this paragraph, coverage of a unit owner, other than coverage as a member of the Association or Board of Directors, for liability arising out of acts or omissions of that unit owner and liability incident to the ownership or use of the part of the property as to which that unit owner has the exclusive use or occupancy. Liability insurance required under this paragraph shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement providing that the rights of a named insured under the policy shall not prejudice any action against another named insured. Limits of liability under such insurance policy shall not be less than One Million Dollars (\$1,000,000) on a combined single limit basis.

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

Section 2. Policy Provision. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

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

(b) A provision that the policies cannot 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 policy.

(c) A provision that the master policy is primary in the event a unit owner has other insurance covering the same loss.

Section 3. Fidelity Coverage. The Board of Directors shall secure and maintain in the name of the Association as obligee, fidelity insurance to protect the Association against dishonest acts by its officers, directors, trustees and employees, and all others who shall be responsible for handling the funds of the Association; the cost of said fidelity coverage shall be a common expense.

Section 4. Directors and Officers Liability. The Board may secure and maintain directors and officers liability insurance for the directors and officers of the Association; the cost of said liability coverage shall be a common expense.

Section 5. Settlement of Loss. All losses under policies above described shall be settled exclusively with the Board of Directors or its authorized representative. Proceeds of the policies shall be paid to the Association as trustee for the unit owners, or, upon demand of any mortgagee, to an insurance trustee acceptable to the Association and mortgagees of units.

Section 6. Unit Owner's Obligations. Each unit owner shall be responsible for obtaining, at his own expense, insurance covering his property not insured under Section 1(a) and against his liability not covered under Section 1(b); provided, however, that no unit owner shall be entitled to exercise his right to maintain insurance coverage in such a way so as to decrease the amount which the Board of Directors, on behalf of the Association and all unit owners, may realize under any insurance policy which the Board of Directors may have in force at any particular time. Additionally, each unit owner must inform the Board of Directors of all improvements made by such owner to his unit which have a value in excess of Five Hundred Dollars (\$500), so that the Board of Directors may make any desired adjustments in insurance coverage.

Section 7. Unit Owner's Reimbursement. A unit owner shall promptly reimburse the Association for any expenditures incurred in repairing or replacing any portions of the common elements or units that are damaged or lost through his fault or at his direction where such damage or loss is not covered by insurance policies carried by the Association for the owner's and the Association's benefit; if such damage or loss is covered by said policies, the unit owner will promptly pay all amounts that would otherwise be paid by the Association pursuant to the deductible clause of said policies. All such amounts to be reimbursed or paid by a unit owner shall be deemed an individual assessment imposed on that unit owner.

Section 8. Review of Insurance Policies; Additional Insurance. At least annually, the Board of Directors shall review all insurance carried by the Association, which review shall include an appraisal of all improvements made to the condominium by a representative of the insurance carrier writing the policy or policies specified in Section 1. The Board may obtain such additional insurance coverage as it deems necessary or appropriate, from time to time, for the benefit of the Association, the unit owners, and mortgagees.

ARTICLE XI

DAMAGE AND DESTRUCTION

Section 1. Insurance Proceeds Sufficient to Cover Loss. In case of fire, casualty, or any other damage and destruction, the insurance proceeds of the master policy, if sufficient to reconstruct the property damaged or destroyed, shall be applied to such reconstruction. Reconstruction of the damaged or destroyed property, as used in this paragraph, means restoring the property to substantially the same condition in which it existed prior to the fire, casualty, or disaster, with each unit and the common element having the same vertical and horizontal boundaries as before. Such reconstruction shall be accomplished under the direction of the Board of Directors or its designee.

Section 2. Insurance Proceeds Insufficient to Cover Loss. If the insurance proceeds are insufficient to reconstruct the damaged or destroyed property, the damage to, or destruction of, such property shall be promptly repaired and restored by the manager or the Board of Directors, using the proceeds of insurance, if any, on such property for that purpose, and all the unit owners shall be liable for assessment for any deficiency for such reconstruction, such deficiency to take into consideration as the unit owner's contribution any individual policy insurance proceeds provided by such unit owner. Provided, however, if seventy-five percent (75%) or more in value of all the property is destroyed or substantially damaged and if the unit owners, by sixty percent (60%) or more of all votes agree that the property shall not be repaired, reconstructed or rebuilt, then the property shall be considered removed from the provisions of the Oregon Condominium Act, and:

(a) The property shall be deemed to be owned in common by all the unit owners;

(b) The respective interest of a unit owner shall be the total of the fair market value of his unit and common element interest appertaining to such unit immediately before termination of the condominium. The proportion of any unit owner's interest to that of all unit owners shall be determined by dividing the fair market value of that unit owner's unit and common element interest by the total fair market values of all units and common element interests. The fair market value of each unit and common element interest appertaining to such unit shall be determined by:

(i) Agreement of all unit owners; or

(ii) An independent appraiser selected by the Board of Directors. The decision of the appraiser shall be distributed to the unit owners and shall become final unless within fifteen (15) days after the distribution, the Board of Directors receives written objection from unit owners holding at least twenty-five percent (25%) of all the votes. In such event, a new appraiser shall be selected by the presiding judge of the circuit court for Multnomah County. Such appraiser's decision shall be final.

(c) All costs and expenses incurred under this Section shall be common expenses.

(d) In the event any part of the property has been damaged or destroyed, the appraiser may use any available data and information pertaining to the condominium including, but not limited to, building plans, prior appraisals and information on file with governmental authorities.

(e) Liens affecting any unit shall be liens, in accordance with the then existing priorities, against the undivided interest of the unit owner in the property owned in common.

(f) Removal of the property, or any portion thereof, from the provisions of the Act shall comply with ORS 100.605 and other applicable statutes.

(g) The property shall be subject to an action for partition at the suit of any unit owner. If a decree of partition orders the sale of the property, the net proceeds of sale, together with the net proceeds of the policies of insurance on the property, if any, shall be considered as one fund and shall be divided among the unit owners and (their mortgagees as their interests may appear) in proportion to the unit owners' respective undivided interests as determined under ORS 100.600 and 100.610 after first paying out of the respective shares of the unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each unit owner.

ARTICLE XII

CONDEMNATION

The Board of Directors shall have the sole authority to negotiate with any public or private body or person having the power of eminent domain and to sue or defend in any litigation involving such bodies or persons with respect to the common elements of the condominium and shall assist any unit owner whose unit or a part thereof is the subject of any condemnation or eminent domain proceeding. Prompt written notice of any such proceeding shall be given to the unit owners and their mortgagees. With respect to a taking of the common elements or any part thereof, the Board of Directors shall arrange for the repair or restoration of said common elements out of the proceeds of the award unless the unit owners, by sixty percent (60%) or more of all votes, agree not to repair or restore said common elements. In that event, the Board of Directors shall disburse the net proceeds of such award to the unit owners (and their mortgagees as their interests may appear) according to the formula and

procedure prescribed herein in Article XI, Section 2. Removal of the property, or any portion thereof, from the provisions of the Act shall comply with ORS 100.605 and other applicable statutes.

ARTICLE XIII

AMENDMENTS TO BYLAWS

The Bylaws may be amended by approval of a majority of the unit owners; provided, however:

(1) Any amendment which relates to age restrictions, pet restrictions, limitations on the number of people who may occupy units, and limitations on the rental or leasing of units must be approved by unit owners holding at least seventy-five percent (75%) of all the votes; and

(2) Declarant's written consent to any amendment shall be required until such time as seventy-five percent (75%) of the total number of units which Declarant may submit to the condominium have been conveyed to persons other than Declarant; and

(3) Declarant's written consent shall be required to any amendment which would limit or diminish any special declarant's right until such time as Declarant waives in writing this right of consent.

Prior to the recordation of such amendment, the Association will submit the proposed Amended Bylaws or Amendment to a Bylaw to the Oregon State Real Estate Commissioner for approval in accordance with the Act. If approved, said amendments shall be recorded in Multnomah County. The Commissioner's approval is not required for an amendment to the Bylaws adopted five (5) years after the Bylaws are initially recorded.

ARTICLE XIV

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS

The Association shall indemnify any director, officer, employee, or agent who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by the Association) by reason of the fact that he is or was a director, officer, employee, or agent of the Association or is or was serving at the request of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by said person in connection with such suit, action, proceeding, or appeal therefrom, if he acted in good faith and in a manner he reasonably

believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, shall not of itself create a presumption that a person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe his conduct was unlawful. Payment under this clause may be made during the pendency of such claim, action, suit, or proceeding as and when incurred, subject only to the right of the Association to seek reimbursement of any such payment, should it be proven at a later time that said person had no right to such payments. All persons who are ultimately held liable for their actions on behalf of the Association as a director, officer, employee, or agent shall have a right of contribution over and against all other directors, officers, employees, or agents and members of the Association who participated with or benefitted from the acts which created said liability.

ARTICLE XV

MISCELLANEOUS

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

Section 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.

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

It is hereby certified that these Bylaws have been adopted by Cable Hill L.L.C., an Oregon limited liability company, Declarant of The Carlisle Condominium, and will be recorded in the Deed Records of Multnomah County, together with the Declaration for said condominium, after said Declaration is approved by the Real Estate Commissioner's Office and the Assessor of said County.

DATED this _____ day of _____, 199_.

CABLE HILL L.L.C.,
an Oregon limited liability company

By: Gregg McCarty
Gregg McCarty

Title: Managing Member

[NOTARY CLAUSE ON FOLLOWING PAGE]

STATE OF OREGON)
County of Multnomah) ss.

On this 21st day of September, 1995, before me personally appeared Gregg McCarty, who being duly sworn, did say that he is a member of Cable Hill L.L.C., an Oregon limited liability company, and that the foregoing instrument was signed on behalf of said company by authority of its members, and acknowledged that said instrument is the free act and deed of said company.



Charmon K. Williams

Notary Public for Oregon

My Commission Expires:

9/2/99

Reason for Amending the Bylaws

The Carlisle condominium was sold to most of the unit owners as a primarily owner-occupied building. If the building becomes primarily renters, the character of the building would change and there would be issues of asset management and maintenance, safety and security, and respect for the property which comes with ownership.

Assumptions

- provide unit owners with reasonable flexibility in renting their units.
- maintain the owner-occupied nature of the building.
- protect the rights of current renters and unit owner lessors.
- give every owner a fair chance to rent his/her unit if desired.
- have clear rules to follow.

Proposal for Leasing and Rental of Units

No transient leases. Except as elsewhere provided herein, a unit owner shall not rent or lease his unit for a period of less than six (6) months. Occupancy shall be limited to the lessees, their household members, visitors and guests. Provided however, the maximum number of units that may be occupied by tenants shall not exceed five (5) units. Except as provided in this paragraph, as of the date this amendment is adopted, no unit owner not currently renting his or her units may enter into a new rental arrangement for such unit if renting that unit would increase the number of rentals above the five (5) units threshold.

Existing tenancies. The restriction on renting/leasing units shall not apply to or restrict any unit owner who, as of the date of the adoption of this amendment, is currently leasing or renting his or her unit; hereinafter referred to as "exempt unit owner." Such exempt unit owner shall be permitted to continue to rent his or her unit, provided that, if for any period exceeding thirty days the unit becomes owner occupied, the unit and the owner thereof shall no longer be entitled to the exemption.

The rental restrictions provided in this amendment do apply to any other units owned by an exempt unit owner and to such owner's successors and assigns, including, but not limited to, persons who acquire the unit through inheritance or gift.

clock

Rental procedure. Prior to entering into any lease agreement, a unit owner shall notify the Board of Directors of his/her intent to lease/rent such owner's unit, ~~the name and address of the proposed tenant,~~ and the circumstances of the proposed arrangement. Within fifteen (15) days of such notification, the Board will advise the unit owner if such proposed tenancy will exceed the five (5) units restriction, and if so, the unit owner shall be placed on a waiting list and notified when such owner's unit may be rented. Once a unit owner is notified that his/her unit may be rented, such owner must within ~~six months~~ ^{90 Days} from the date of such notice, enter into a six to thirty-six month with a tenant. If such owner has not done so within the required time period, that unit owner shall be placed at the end of the waiting list and the next owner on the waiting list shall be notified of an open position.

Maximum rental period. An owner who receives permission from the Board of Directors that he/she is permitted to rent his/her unit shall be permitted to continue to rent such unit at the expiration/termination of each tenancy up to a maximum of three years, provided that, such continued rental must be to the same tenant. If the owner desires to change tenants or if for a period exceeding thirty days the unit becomes owner occupied, the owner shall no longer be allowed to rent the unit and must reapply to the Board of Directors. "Owner occupied" shall mean anytime during which the unit is occupied by the owners, his/her spouse, children and/or secondary parents as their primary or secondary residence and no rent is charged such occupants.

Tenant notice. All tenants shall always be subject to the Declaration, Bylaws, Rules and Regulations of the Association and the Board of Directors. Each lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration, Bylaws, and Rules and Regulations and that any failure by a lessee to comply with the terms thereof shall be a default under the lease. The unit owner shall provide a fully executed copy of the lease to the Board of Directors.

Failure to notify Board of Directors of intent to lease. If the unit owner fails to give notice to the Board of Directors of his or her intent to lease such owner's unit, and thereafter rents the unit, then at any time after receiving knowledge of a tenancy relationship, the Board of Directors may charge such owner an administrative fee as determined from time to time by Board resolution. The purpose of the fee is to reimburse the Association for time, costs and expenses of management time incurred to obtain information about the tenant and provide the tenants with copies of the Association documents. Provided, however, charging the owner an administrative fee and/or providing the owner's tenant with copies of Association documents shall not bar or limit the Association's remedies arising from such owner's violations of the provisions of the Declaration, Bylaws, and Rules and Regulations, including, without limitation, filing suit to remove the tenant when the tenancy violates the five (5) units limitation.

revised to reflect
401.014.175 452
PDX, OR

DECLARATION SUBMITTING CARLISLE CONDOMINIUM
TO THE OREGON CONDOMINIUM ACT ✓

THIS DECLARATION is made and executed by Cable Hill L.L.C., an Oregon limited liability company, hereinafter called "Declarant."

Declarant desires to create a condominium to be known as Carlisle Condominium, which will be located in the City of Portland, Multnomah County, Oregon. The purpose of this declaration is to submit the project to the condominium form of ownership and use in the manner provided by the Oregon Condominium Act.

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

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

1.1 "Act" means the Oregon Condominium Act. ✓

1.2 "Association" means the Association of Unit Owners of Carlisle Condominium.

1.3 "Board of Directors" means the directors selected pursuant to the provisions of this declaration and the bylaws to govern the affairs of the Association.

1.4 "Bylaws" means the bylaws of the Association adopted as provided herein, as the same may be amended from time to time.

1.5 "Declarant" means Cable Hill L.L.C., an Oregon limited liability company.

1.6 "Plat" means the plat of Carlisle Condominium, recorded simultaneously with the recording of this declaration.

1.7 "Incorporation by Reference." Except as otherwise provided in this declaration, each of the terms used herein shall have the meaning set forth in ORS 100.005, a part of the Act.

2. PROPERTY SUBMITTED. Declarant has fee simple title to the land submitted hereunder. It is located in the City of Portland, Multnomah County, Oregon, and is more particularly described in Exhibit A attached hereto. The property submitted hereunder includes the land so described, all buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging thereto. ✓

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

4. GENERAL DESCRIPTION OF BUILDING. The condominium consists of one (1) building, containing twenty four (24) units. The building has four stories plus a two-story penthouse. The building is wood frame construction, with vinyl siding and a concrete foundation with steel beam supports. A flat gravel roof covers a portion of the building, and a pitched composite shingle roof covers the remaining portion. The first floor of the building contains a security entrance, sitting area, mailboxes, an elevator, and a separate garage area with an electric roll up gate operated by remote control. The garage contains eight individual parking stalls and four tandem style stalls (making a total of sixteen parking spaces), and nine storage units. Adjacent to the garage parking area is a laundry facility with leased washers and dryers. There are nine exterior parking spaces on the property.

5. UNITS.

5.1 General Description of Units. The units are designated Units 10, 12, 14, 16, 20-27, 30-37, 41, 43, 45, and 47. Units 10, 12, 14, and 16 are located on the second story. Units 20, 21, 22, 23, 24, 25, 26, and 27 are located on the third story. Units 30, 31, 32, 33, 34, 35, 36, and 37 are located on the fourth story. Units 41 and 47 are located on the fifth story (the lower floor of the penthouse). Units 43 and 45 are two-story units located on the fifth and sixth floors (both floors of the penthouse).

Units 12, 22, and 32 each contain a kitchen, living room, one bedroom, one bathroom, and a deck, and enclose approximately 660 square feet. Units 14, 24, and 34 each contain a kitchen, living room, one bedroom, and one bathroom, and enclose approximately 660 square feet. Units 23, 25, 33, and 35 each contain a kitchen, living room, one bedroom, and one bathroom, and enclose approximately 712 square feet. Units 43 and 45 each contain a kitchen, living room, loft/den, interior stairway, one bedroom, and one and one-half bathrooms, and enclose approximately 1000 square feet. Units 10, 20, and 30 each contain a kitchen, living room, loft, one bedroom, and two bathrooms and enclose approximately 1042 square feet. Units 16, 21, 26, 27, 31, 36, 37, 41, and 47 each contain a kitchen, living room, two bedrooms, and two bathrooms, and enclose approximately 1087 square feet.

The dimensions, designation, and location of each unit are shown in the plat filed simultaneously herewith and made a part of this declaration as if fully set forth herein. *

5.2 Boundaries of Units. Each unit shall be bounded by the interior unfinished surfaces of its perimeter and bearing walls, floors, and ceilings. The portion of a unit that consists of a deck shall be bounded by an imaginary line extending upward from the outer edge of the floor of the deck, perpendicular to the floor of the deck, to a point of intersection with a second imaginary line extending toward the deck from the unfinished surface of the ceiling of the remainder of the unit. All plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof shall be a part of the unit and all other portions of said walls, floors or ceilings shall be part of the common elements. The unit shall include windows, window frames, exterior and interior doors, door frames, air space, non-bearing interior partitions, and all other appliances, fixtures and improvements contained therein. In addition, each unit shall include the outlet of any utility

service lines, including but not limited to water, sewerage, gas, electricity, and ventilating ducts within the unit, but shall not include any part of such lines or ducts themselves.

5.3 Use of Units. The units shall be occupied and used by the respective owners only for residential purposes for the owner, family, tenant and social guests and for no other purposes. The owners of the respective units shall have the right to lease or rent the unit or any part thereof, provided that any such lease or rental agreement shall be subject to the covenants and restrictions contained in this declaration and is further subject to the bylaws, rules and regulations of the Association.

6. COMMON ELEMENTS.

6.1 General Common Elements. The general common elements consist of the following, to the extent they exist on the property, and except as portions thereof are expressly designated in this declaration as part of a unit or limited common element: ...

(a) The land, pathways, driveways, fences, grounds, storage units, and parking spaces (if any) not assigned to units;

(b) The foundations, columns, girders, beams, supports, bearing walls, perimeter walls, main walls, roofs, and exterior decks, corridors, lobbies, elevator, stairs, fire escapes, entrances and exits of the building;

(c) 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;

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

(e) All other elements of any building necessary or convenient to its existence, maintenance and safety, or normally in common use.

6.2 Limited Common Elements. The following constitute limited common elements, the use of which shall be restricted to the unit(s) to which they pertain:

(a) Units 41, 43, 45, and 47 are each assigned the deck adjacent to the individual Unit, as shown on the plat.

~~(b) Twenty one of the units are assigned the parking space or parking spaces which bear the same number as the unit, as shown on the plat.~~

6.3 Undivided Interest in Common Elements. Each unit is allocated an undivided fractional interest in the common elements as shown on Exhibit B. The allocation reflects the relative sizes of, and number of bedrooms/lofts in, the units. Each unit's undivided interest shall be deemed to be conveyed or encumbered with conveyance of said unit, even though the description in the instrument of conveyance or encumbrance may refer only to title in the unit.

6.4 Use of Common Elements. No person shall use the common elements or any part thereof in any manner contrary to or not in accordance with this declaration, the bylaws or such rules and regulations pertaining thereto which from time to time may be promulgated by the Board of Directors.

6.5 Maintenance, Repair, and Replacement. Except to the extent it is imposed on the unit owners by this declaration or the bylaws, the necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the bylaws. Nothing herein, however, shall be construed so as to preclude the Board of Directors from delegating such duties to individuals or entities.

7. COMMON PROFITS AND COMMON EXPENSES. The common profits shall be allocated among the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that no such profits shall be distributed among the unit owners and shall be used solely for purposes of maintaining, repairing, and replacing the common elements or other expenses of the Association. The common expenses shall be assessed to the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that unit owners may be assessed additional amounts individually for common expenses incurred through such unit owner's fault or direction or as otherwise provided in the bylaws.

8. SERVICE OF PROCESS. The designated agent to receive service of process in cases provided in subsection (1) of ORS 100.550 is named in the Condominium Information Report which has been filed in accordance with the Act.

9. EASEMENTS AND ENCROACHMENTS.

9.1 Right of Access. The Association, through its Board of Directors, shall have the right to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, or to make emergency repairs therein necessary for the public safety or to prevent damage to the common elements or to another unit. In case of an emergency originating in or threatening his unit, or other portion of the condominium, each unit owner hereby grants the right of entry to any person authorized by the Board of Directors or the Association, whether or not the owner is present at the time. Each unit owner shall, upon request, leave a key to his unit with the Board of Directors to be used in such emergencies.

9.2 Encroachments. 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 movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of the encroaching units and common elements so long as the encroachments shall exist, and except as otherwise provided in the Act the rights and obligations of owners shall not be altered in any way by the encroachment, nor shall the encroachments be construed to be encumbrances affecting the marketability of title to any unit.

9.3 Granting of Interest Affecting Common Elements. The Association shall have the authority to grant leases, easements, rights of way, licenses or other similar interests affecting the general common elements, and to consent to vacation of roadways adjacent to the condominium. The granting of a lease in excess of two (2) years or any other interest or consent pursuant to this section shall first be approved by at least seventy-five percent (75%) of all votes of the unit owners as required by ORS 100.405(6); however, a lease of the general common elements for a term of two (2) years or less shall not require approval of the unit owners. The instrument granting any such interest or consent shall be executed by the Chairman and Secretary of the Association and acknowledged in the manner provided for acknowledgment of such instruments by such officers and shall, if applicable, state that such grant or consent was approved by at least seventy-five percent (75%) of all votes of the unit owners. ✓

10. VOTING RIGHTS. The owners or co-owners of each unit shall be entitled to one vote.

11. ASSOCIATION OF UNIT OWNERS.

11.1 Organization; Adoption of Bylaws. Upon the execution and recording of this declaration, the Association shall be organized to serve as a means through which the unit owners may take action with regard to the administration, management, and operation of the condominium. Declarant shall simultaneously adopt and record bylaws for the Association.

11.2 Membership; Board of Directors. Each unit owner shall be a member of the Association, and membership therein shall be limited to unit owners only. The affairs of the Association shall be governed by a Board of Directors as provided in the bylaws.

11.3 Power and Duties of the Association. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, together with such additional powers and duties contained in this declaration and the bylaws.

11.4 Declarant Control of Association; Interim Board of Directors. Declarant will appoint an interim Board of Directors for the Association. Declarant hereby reserves the right to control the Association until the earlier of a) the date of conveyance to persons other than Declarant of seventy-five percent (75%) of the units, or b) three years from the date the first unit is conveyed. Accordingly, upon the recording of the declaration and

bylaws, the interim directors shall serve until the turnover meeting is held as provided in the bylaws.

11.5 Management Agreements, Contracts, and Leases. The Board of Directors, including the interim Board of Directors, shall have the right to contract with a professional manager or management firm to manage the affairs of the Association. However, if entered into prior to the turnover meeting of the condominium, no management agreement, service contract or employment contract which is directly made by or on behalf of the Association, the Board of Directors, or the unit owners as a group shall be in excess of three years and may be terminated without penalty by the Association or the Board of Directors upon not less than thirty (30) days written notice to the other party given not later than sixty (60) days after the turnover meeting.

12. MORTGAGEES.

12.1 Definitions. As used herein, the following terms shall have the following meanings:

(a) "Mortgage" means a recorded mortgage or trust deed creating a lien against a unit; and

(b) "Eligible mortgage holder" means a holder of a first mortgage on a unit who has requested notice of certain matters from the Association in accordance with Section 12.3 below.

12.2 Notice to Association. At the request of the Board of Directors, each owner shall promptly supply to the Board the name and address of the mortgagee or mortgagees of his unit.

12.3 Notice to a Holder, Insurer, or Guarantor of a Mortgage. A holder, insurer, or guarantor of a mortgage on a unit, who submits a written request to the Association stating the name and address of the holder, insurer, or guarantor and the unit number or address of the mortgaged unit shall be entitled to timely written notice of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the condominium or the unit securing its mortgage;

(b) Any sixty-day (60-day) delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;

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

(d) Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

12.4 Consent to Termination of the Condominium. Except with respect to termination of the condominium as a result of destruction, damage, or condemnation, any termination of the condominium shall require the approval of eligible mortgage holders representing at least sixty-seven percent (67%) of the votes of units that are subject to mortgages held by eligible mortgage holders. This approval shall be in addition to such other approvals and procedures as may be required by the declaration, bylaws, and Act. ✓

12.5 Consent to Amendment of Documents. Except as otherwise provided in the Act, the approval of eligible mortgage holders representing at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders shall be required for any amendments of a material nature to the declaration or bylaws. Any amendment to the declaration or bylaws which changes any of the following would be considered as material:

- (a) Voting rights;
- (b) Assessments, assessment liens, or the priority of assessment liens;
- (c) Reserves for maintenance, repair and replacement of the common elements;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the general or limited common elements, or rights to their use;
- (f) Redefinition of any unit boundaries;
- (g) Convertibility of units into common elements or of common elements into units;
- (h) Expansion or contraction of the condominium or the addition, annexation, or withdrawal of property to or from the condominium;
- (i) Insurance or fidelity bonds;
- (j) Leasing of units;
- (k) Imposition of any restriction on a unit owner's right to sell or transfer his or her unit;
- (l) A decision by the Association to establish self-management when professional management had been required previously by eligible mortgage holders;

(m) Restoration or repair of the condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the declaration, bylaws, or Act;

(n) Any action to terminate the legal status of the condominium after substantial destruction or condemnation occurs; or

(o) Any provisions that expressly benefit mortgage holders, insurers, or guarantors.

This approval shall be in addition to such other approvals and procedures as may be required by the declaration, bylaws, and Act.

12.6 Request for Approval of Eligible Mortgage Holders. Any eligible mortgage holder or other mortgagee who receives a written request to approve additions or amendments to the declaration, bylaws, or other action to be taken by the Board of Directors, Association, or unit owners, shall be deemed to have given such approval unless a negative response is delivered or posted to the requesting party within thirty (30) days after such request has been received, provided that the written request was delivered by certified mail with "return receipt requested."

12.7 Mortgagee's Request for Professional Management. Upon written request of eligible mortgage holders representing at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders, the Board of Directors shall employ a professional manager to manage the affairs of the Association. Any agreement for professional management shall be consistent with Section 11.5. ✓

12.8 Discharge of Lien Upon Foreclosure. Where the purchaser of a unit obtains title to a unit as a result of foreclosure of the first mortgage or first trust deed, such purchaser, his successors and assigns, shall not be liable for any of the assessments against such unit or its owner which became due prior to the acquisition of title to such unit by such purchaser. Such unpaid assessments shall be a common expense of all the unit owners including such purchaser, his successors and assigns. ✓

12.9 Right to Receive Written Notice of Meetings. A holder of a first mortgage shall, upon written request to the Association, be entitled to receive notice of all meetings of the Association and shall be entitled to designate a representative to attend all such meetings.

12.10 Additional Approvals. Unless fifty-one percent (51%) of the holders of first mortgages of individual units have given their prior written approval, the Association shall not:

(a) Change the pro rata interest or obligations of any unit for (1) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards, and (2) determining the pro rata share of ownership of each unit in the common elements;

(b) Partition or subdivide any unit;

(c) By act or omission, seek to abandon or terminate the condominium status of the project except as provided by statutes in case of substantial loss to the units and common elements of the condominium project;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause; or

(e) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the condominium project.

12.11 Right to Examine Books and Records. All mortgagees (including insurers and guarantors of mortgages) shall have the right to examine the books and records (including the declaration, bylaws, rules, and regulations and financial statements) of the Association upon written request. Such books and records shall be available for duplication at reasonable times; a mortgagee shall be entitled to have an audited financial statement prepared at his own expense if such audited statement is not otherwise available; the Association, its Board of Directors and its officers shall cooperate to facilitate the necessary auditing and review process.

13. AMENDMENT.

13.1 Approval Required. Except as may otherwise be provided in this declaration or by the Act, the declaration may be amended if such amendment is approved by seventy-five percent (75%) or more of all votes of the unit owners. No amendment may change the allocation of undivided interest in the common elements, method of determining liability for common expenses, right to common profits, or voting rights of any unit unless such amendment has been approved by the owners of the affected units and the holders of any mortgage or trust deed on such unit. No amendment may reduce or eliminate the rights of first mortgagees set forth herein without the written consent of fifty-one percent (51%) of all such first mortgagees.

13.2 Recordation. The amendment 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 the declaration and the

provisions of ORS 100.005 to 100.910 and 100.990, and approved by the Real Estate Commissioner, in the Deed Records of Multnomah County.

14. DECLARANT'S RIGHTS.

Notwithstanding any provision to the contrary in this declaration or the bylaws, Declarant shall have the following special rights:

14.1 Amendment to Declaration and Bylaws. No amendment to the declaration and bylaws shall be effective without the written consent of Declarant until such time as seventy-five percent (75%) of the units have been conveyed to persons other than Declarant. No amendment may limit or diminish any right of Declarant reserved under the declaration, the Act, or any other special declarant right without the written consent of Declarant until such time as Declarant waives in writing this right of consent.

14.2 Assessments for Additional Capital Improvements. No units owned by Declarant shall be assessed by the Association or the Board of Directors for the construction or acquisition of additional capital improvements without the written consent of Declarant as long as Declarant owns more than two units or five percent of the units submitted to the condominium, whichever is greater.

14.3 Development Easement. Declarant and its agents shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of completing any portion of the condominium, discharging any obligation of Declarant, and/or carrying out sales and rentals of units and advertisements thereof, including posting signs on the property. Declarant shall have the right to use units owned by Declarant as model units and shall have the right to use a unit as a sales office.

14.4 Other. Declarant shall be entitled to any and all other special declarant rights, in addition to those specified herein, that are reserved for the benefit of or created by the Declarant under the declaration, bylaws, or the provisions of the Act.

15. SEVERABILITY.

Should any of the provisions herein conflict with the provisions of the Act, the statutory provisions shall apply. 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.

16. CONFLICTING PROVISIONS.

In the event of a conflict between or among the declaration, bylaws, and any administrative rules and regulations, the provisions of the declaration shall be paramount to the bylaws and the rules and regulations, and the bylaws shall be paramount to the rules and

regulations. For purposes of this section, the term "declaration" shall include all amendments and the term "bylaws" shall include all amendments.

IN WITNESS WHEREOF, Declarant has caused this declaration to be executed this 21st day of September, 1995.

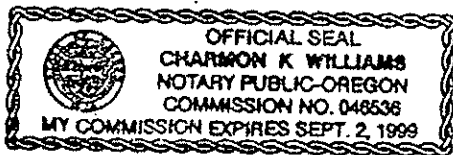
CABLE HILL L.L.C.,
an Oregon limited liability company

By: Gregg McCarty
Gregg McCarty

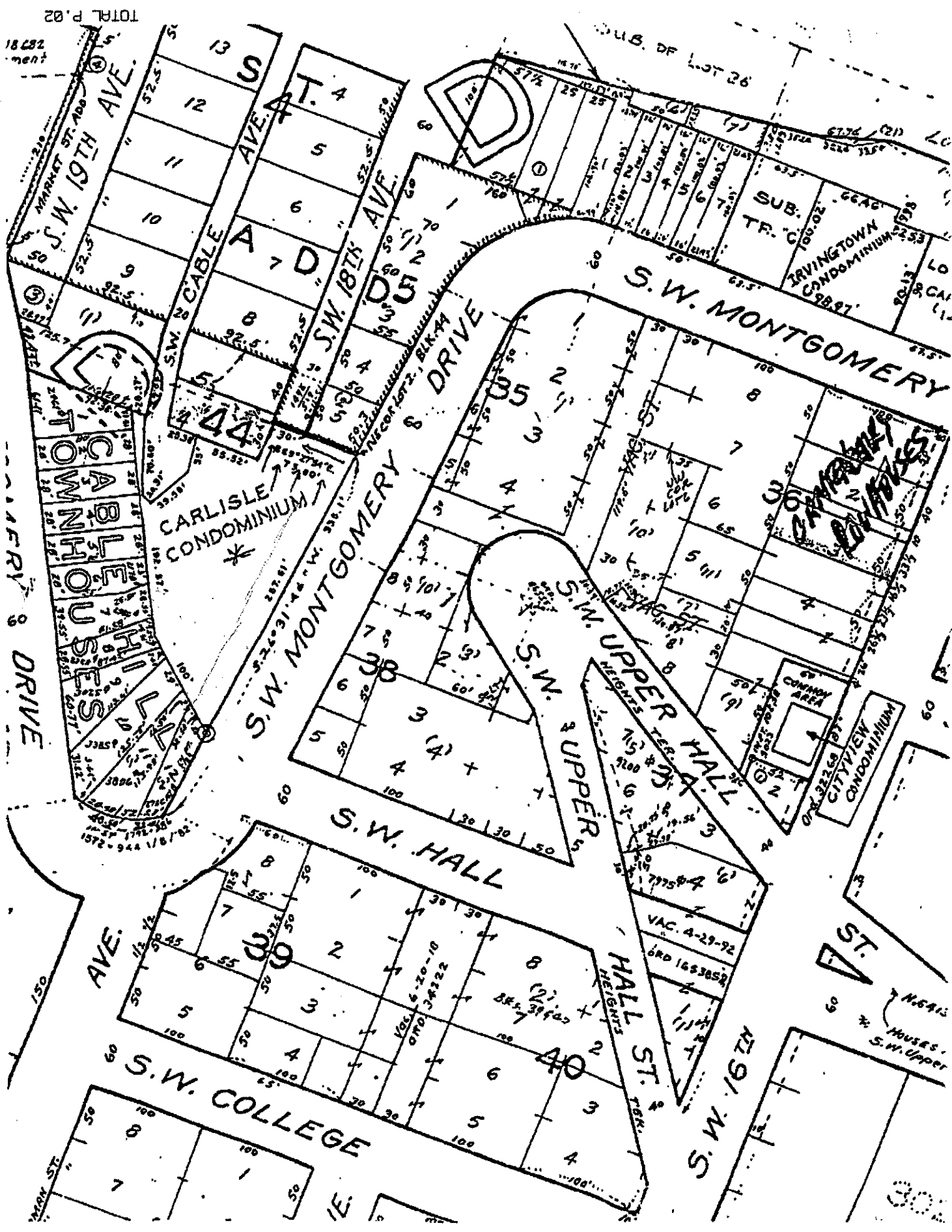
Title: Managing Member

STATE OF OREGON)
County of Multnomah) ss.

On this 21st day of September, 1995, before me personally appeared Gregg McCarty, who being duly sworn, did say that he is a member of Cable Hill L.L.C., an Oregon limited liability company, and that the foregoing instrument was signed on behalf of said company by authority of its members, and acknowledged that said instrument is the free act and deed of said company.



Charmon K. Williams
Notary Public for Oregon
My Commission Expires: 9/2/99



TOTAL P.02
18 25 81

SUB. OF LOT 26

SUB. TR. C

IRVINGTOWN CONDOMINIUM

CARLISLE CONDOMINIUM

CITYVIEW CONDOMINIUM

HALL ST.

Houses, S.W. Upper

CARRIAGE DRIVE

AVE.

S.W. COLLEGE

S.W. HALL

S.W. UPPER HALL

S.W. 16th

S.W. MONTGOMERY

S.W. MONTGOMERY

DRIVE

S.W. 18th AVE.

CABLE AVE.

S.W. 19th AVE.

"CARLISLE CONDOMINIUM"

A PORTION OF LOTS 2, 3 AND 4, BLOCK 24, "CABLE HILL ADDITION TO THE CITY OF PORTLAND," MALDEN COUNTY, OREGON, AS SHOWN ON THE PLAT THEREOF, FILED IN THE OFFICE OF THE COUNTY CLERK OF SAID COUNTY, MALDEN COUNTY, OREGON, AUGUST 28, 1965, AS SHOWN ON PLAT NO. 1230.

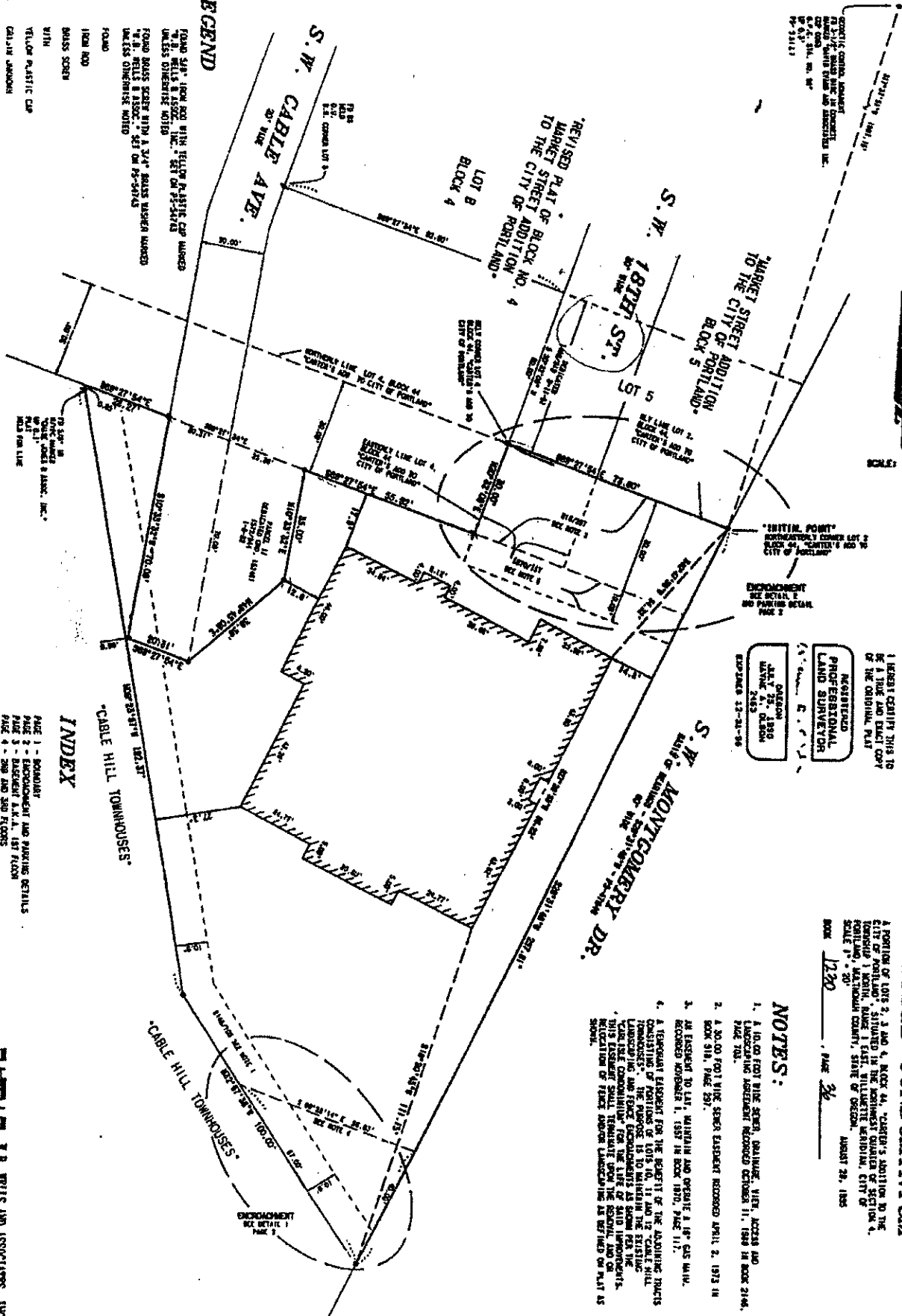
NOTES:

1. A 10.00 FOOT WIDE STRIP, DRAINAGE, VENT, ACCESS AND LANDSCAPING AREAS, RECORDED OCTOBER 11, 1969 IN BOOK 2194, PAGE 703.
2. A 20.00 FOOT WIDE STREET EASEMENT RECORDED APRIL 2, 1973 IN BOOK 3114, PAGE 237.
3. AN EASEMENT TO LAY, MAINTAIN AND OPERATE A 18" GAS MAIN, RECORDED NOVEMBER 1, 1957 IN BOOK 1970, PAGE 117.
4. A TOWNSHIP EASEMENT FOR THE BENEFIT OF THE ADJOINING TRACTS CONSISTING OF PORTIONS OF LOTS 11 AND 12, BLOCK 24, "CABLE HILL ADDITION TO THE CITY OF PORTLAND," MALDEN COUNTY, OREGON, AS SHOWN ON THE PLAT THEREOF, FILED IN THE OFFICE OF THE COUNTY CLERK OF SAID COUNTY, MALDEN COUNTY, OREGON, AUGUST 28, 1965, AS SHOWN ON PLAT NO. 1230.

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

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OSCAR E. JENSEN
JAN 25, 1959
MALDEN, OREGON
EXPIRES 12-31-76



- LEGEND**
- FOUND SURF. IRON ROD WITH YELLOW PLASTIC CAP UNLESS OTHERWISE NOTED
 - FOUND BONES SCOTCH WIPER 3/4" GALSS BEZEL MARKED "T.M. HILLS & ASSOC. INC. SET ON PLAT" UNLESS OTHERWISE NOTED
 - FOUND
 - IRON ROD
 - BASS SCOPES
 - W/ WITH
 - YELLOW PLASTIC CAP
 - CALLIPE JAWHOOK
 - PLAT OF "CABLE HILL TOWNHOUSES"
 - PRIVATE SURVEY EVIDENCE, MALDEN COUNTY SURVEY RECORDS

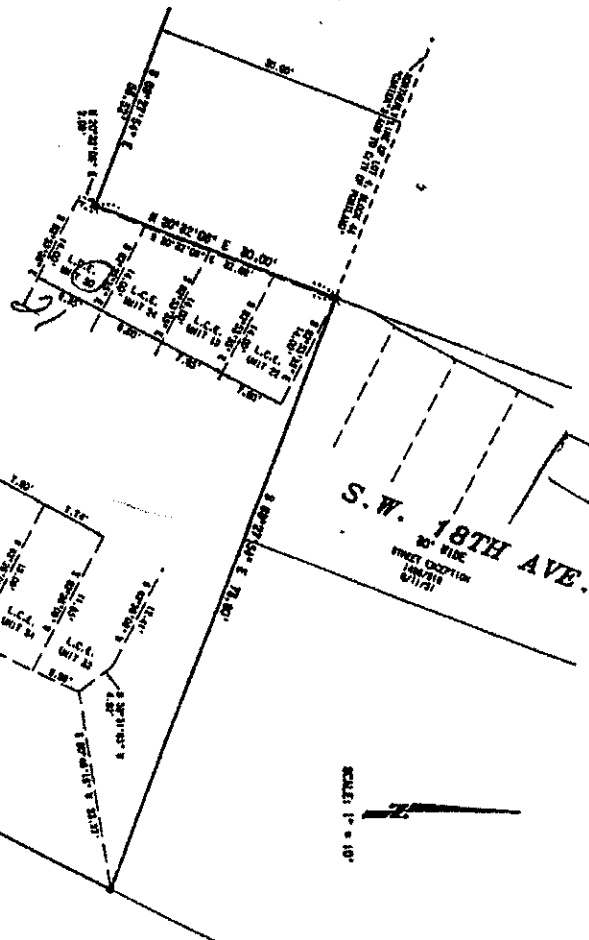
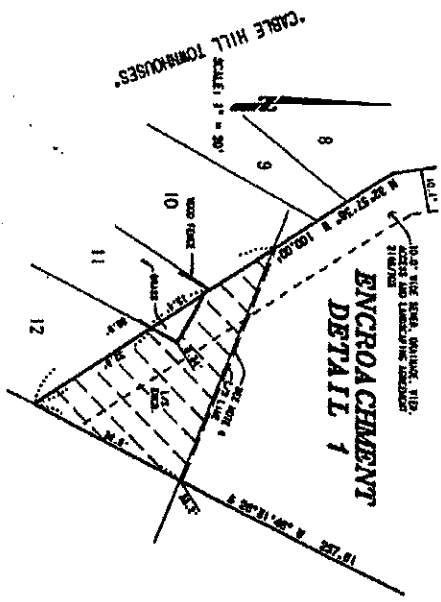
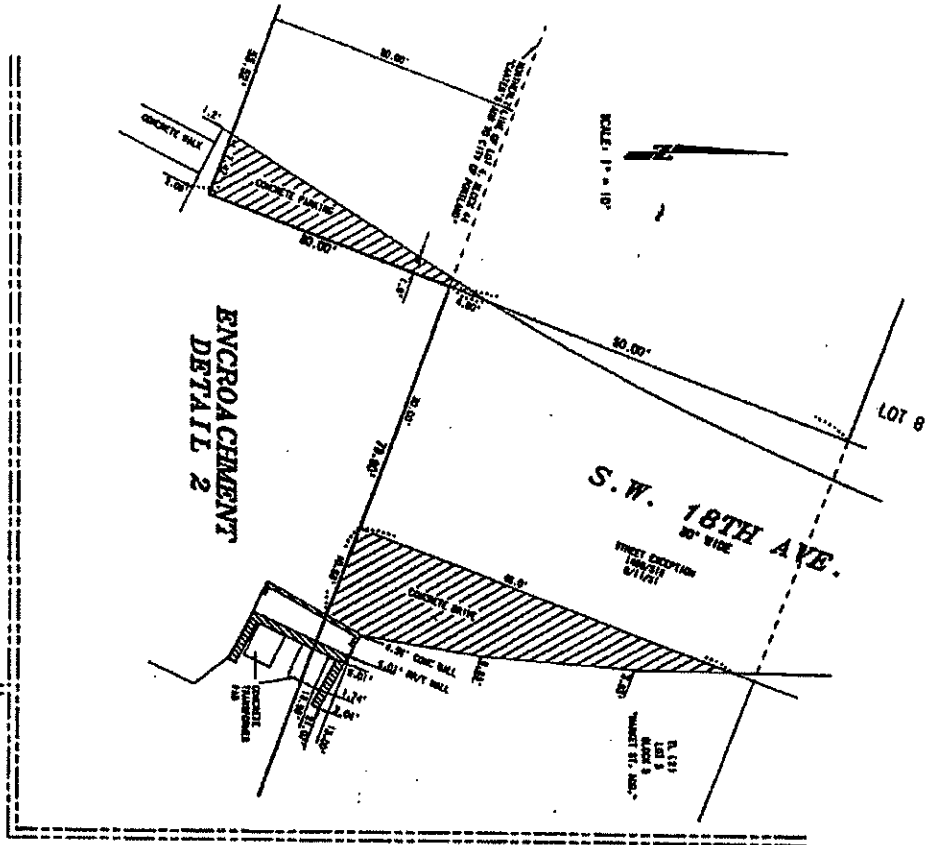
INDEX

- PAGE 1 - BOUNDARY
- PAGE 2 - ENCROACHMENT AND PLACING DETAILS
- PAGE 3 - EASEMENTS AND 147' FLOOD
- PAGE 4 - 200' AND 300' FLOODS
- PAGE 5 - 410' FLOOD
- PAGE 6 - PERMITS, 151', 200' AND CELLING
- PAGE 7 - CROSS SECTIONS "A" - "I" THROUGH "1" - "7"
- PAGE 8 - CROSS SECTIONS "A" - "G" AND "H" - "K"
- PAGE 9 - APPROVALS, DECLARATION, ACKNOWLEDGEMENT, SHERIFF'S CERTIFICATE AND SUBMITTIVE.

T.M. HILLS AND ASSOCIATES, INC.
SURVEYING ENGINEERS/PLANNERS
1000 N. W. OREGON STREET
PORTLAND, OREGON 97227
PHONE: (503) 841-3445
FAX: (503) 844-8200

"CARLISLE CONDOMINIUM"

A PORTION OF LOTS 2, 3 AND 4, BLOCK 44, "CARTER'S ADDITION TO THE CITY OF PORTLAND," SITUATED IN THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 12 NORTH, RANGELAND, MULTNOMAH COUNTY, STATE OF OREGON, AS SHOWN ON PLAT 1000, SCALE THREE-FIFTEENTHS, FILED FOR RECORD, AUGUST 24, 1955.



LEGEND

- FINE 3/4" IRON ROD WITH YELLOW PLASTIC CAP MARKED "T.M. WELLS & ASSOC., INC." SET ON P.S. 37243
- FOUND BRASS COPIES WITH BRASS BASES MARKED "T.M. WELLS & ASSOC." SET ON P.S. 37243
- LANDSCAPING
- ▨ RAILROAD THE
- CONC.
- ▧ ENCR. ENCROACHMENT
- ▩ AUTO SHEDS
- ▭ LIMITED COMMON ELEMENT
- ▮ PRIVATE SHEDS
- ▯ MULTNOMAH COUNTY STREET RECORDS

REGISTERED
PROFESSIONAL
LAND SURVEYOR

T.M. WELLS & ASSOCIATES, INC.
OPERATION
BY
J.B. WATKINS, A.L.S.
2082
EMPLOYEES 12-21-54

I HEREBY CERTIFY THIS
TO BE A TRUE AND EXACT
COPY OF THE ORIGINAL PLAN



T.M. WELLS AND ASSOCIATES, INC.
SURVEYORS/ENGINEERS/LANDSCAPERS
1001 N. W. 10TH ST., SUITE 100
PORTLAND, OREGON 97227
PHONE 325-2111
FAX 325-2444

"CARLISLE CONDOMINIUM"

A PORTION OF LOTS 2, 3 AND 4, BLOCK 44, "LARGER ADDITION TO THE CITY OF PORTLAND," AS SHOWN IN THE PLAT OF SECTION 4, TOWNSHIP 18 NORTH, RANGE 12 EAST, COUNTY OF CLATSOP, STATE OF OREGON, ALTHOUGH CERTAIN STATE OF OREGON, AUGUST 26, 1985
 BOOK 1290 PAGE 36

SURVEYOR'S CERTIFICATE

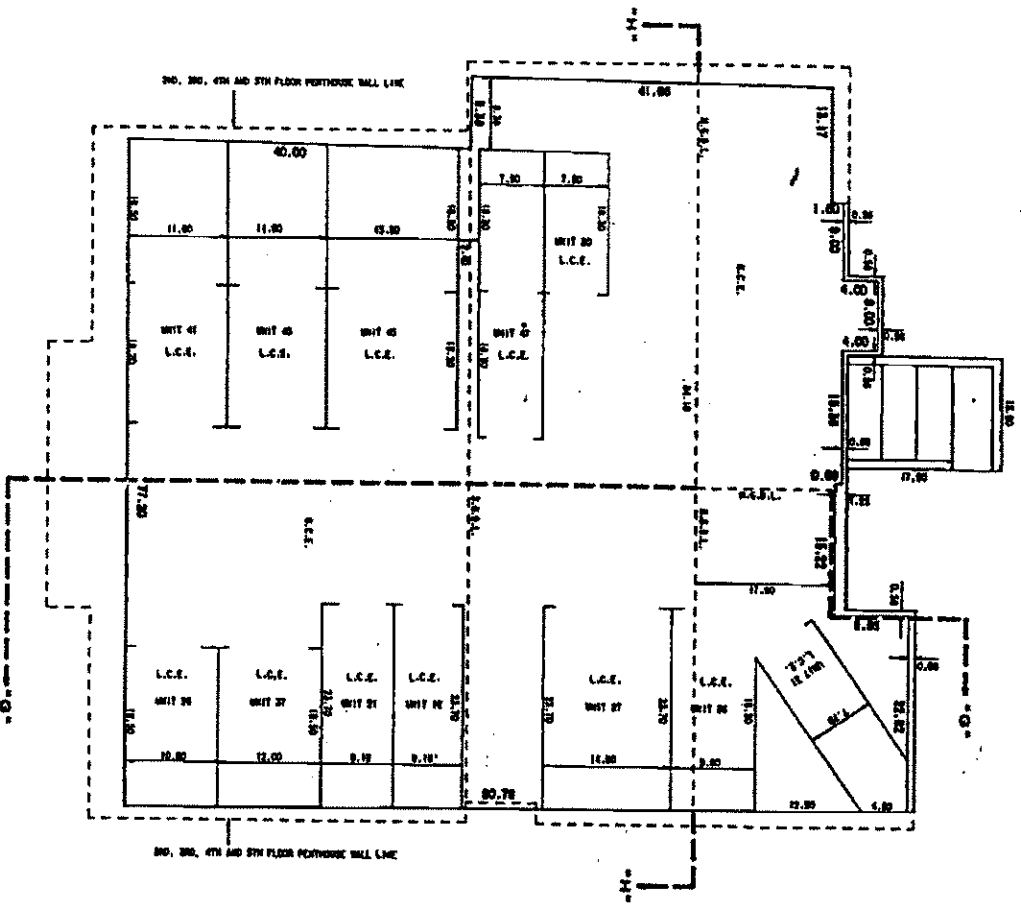
I, WANE A. OWEN, A REGISTERED PROFESSIONAL SURVEYOR, DO HEREBY CERTIFY THAT THE WITHIN FLOOR PLANS OF "CARLISLE CONDOMINIUM" ARE A TRUE AND CORRECT REPRESENTATION OF THE UNITS AND COMMON AREAS OF THE WITHIN FLOOR PLANS AND THAT THE SAME HAVE BEEN PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT THE SAME COMPLY WITH THE REQUIREMENTS OF THE PLAT OF SECTION 4, TOWNSHIP 18 NORTH, RANGE 12 EAST, COUNTY OF CLATSOP, STATE OF OREGON, AUGUST 26, 1985.

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL PLAN.

REGISTERED PROFESSIONAL LAND SURVEYOR
 WANE A. OWEN
 5212
 EMPLOYED 12-21-78

- NOTES:**
1. BASEMENT WALLS ARE NOT PARALLEL OR PERPENDICULAR TO EACH OTHER.
 2. THE WALL ALIGNMENT AND RIGTH VALUES, THE APPROXIMATE WIDTH IS 0.5" ±, UNLESS OTHERWISE SHOWN.
 3. PAINTING SPACES ARE LIMITED COMMON ELEMENTS ASSIGNED TO UNITS AS SHOWN FOR SECTION 6.2 OF THE DECLARATION.

- LEGEND**
- C.C.E. GENERAL COMMON ELEMENT
 - L.C.E. LIMITED COMMON ELEMENT
 - N.S.B.L. NORTH GRADE BREAK LINE
 - S.O.B.L. SOUTH GRADE BREAK LINE
 - B.S.B.L. WHOLE GRADE BREAK LINE



FIRST FLOOR
 BASEMENT AREA
 SCALE: 1" = 10'
 SEE SHEET 1 AND 2

F.B. WILLS AND ASSOCIATES, INC.
 SURVEYORS/ENGINEERS/PLANNERS
 1000 N.W. GOSWAM BLVD.
 PORTLAND, OREGON 97215
 PHONE (503) 284-4500
 FAX (503) 284-4500
 FILE NO. 52-187

EXHIBIT A

A portion lots 2, 3, and 4. Block 44, "CARTER'S ADDITION TO THE CITY OF PORTLAND", situated in the Northwest Quarter of Section 4, Township 1 South, Range 1 East, Willamette meridian, City of portland, County of Multnomah, State of Oregon, being more particularly described as follows:

Beginning at the "Initial Point", a found 5/8" iron rod with yellow plastic cap marked "W. B. Wells & Assoc. Inc." and the Northeasterly corner of Lot 2 in said Block 44; said point bears South 69°27'54" East, a distance of 92.50 feet; then South 20°32'06" West, a distance of 50.00 feet; then South 69°27'54" East, a distance of 73.80 feet from the Southwest corner of Lot 8, Block 4, in the "Revised Plat of Block No. 4 Market Street Addition to the City of Portland"; thence along the Westerly right-of-way line of SW Montgomery Drive, South 26°31'46" West, a distance of 257.61 feet; then along the Easterly line of the plat of "Cable Hill Townhouses", North 32°57'36" West, a distance of 100.00 feet to an angle corner; then North 9°23'57" West, a distance of 192.37 feet; thence along a line that is 30.00 feet distant and parallel to the Northerly line of said Lot 4, South 69°27'54" East, a distance of 28.27 feet; thence along the Westerly line of SW Cable Avenue, South 10°33'32" West, a distance of 70.06 feet; thence along the Southerly line of said street, South 69°27'54" East, a distance of 20.31 feet; thence along the Easterly line of said street, North 49°45'03" East, a distance of 39.58 feet to an angle corner; then North 10°33'32" East, a distance of 35.00 feet; thence along said line said line that is 30.00 feet distant and parallel to the Northerly line of Lot 4, South 69°27'54" East, a distance of 55.52 feet; thence along the Easterly line of said lot 4 and the extension of SW 18th Street, North 20°32'06" East, a distance of 30.00 feet to the Northeast corner of said lot 4; thence along the Northerly line of said Lot 2, South 69°27'54" East, a distance of 73.80 feet to the "Initial Point".

Together with and subject to the following:

1. Easement, including the terms, rights and provisions thereof,
For : 16-inch gas main and appurtenances
Granted to : PORTLAND GAS & COKE COMPANY,
a corporation of the State of Oregon
Recorded : November 4, 1957
Book : 1870 Page : 117

2. Easement, including the terms, rights and provisions thereof,
For : Sewer
Granted to : CITY OF PORTLAND, a municipal
corporation
Recorded : April 2, 1973
Book : 918 Page : 297

3. Easement for existing public utilities invacated street area and the conditions imposed thereby.
Ordinance No. : 152461
Recorded : January 8, 1982
Book : 1572 Page : 944

4. Restrictive Covenants to Waive Remonstrance, including the terms and provisions thereof,
For : Street
Recorded : April 19, 1984
Book : 1741 Page : 2184

5. Sanitary Sewer/Drainage and View Access and Peripheral Landscaping Agreement, including the terms and provisions thereof,
Regarding : Easements for sewer/drainage, yard and view access for benefit of adjoining property owners to the South and West
Recorded : October 11, 1988
Book : 2146 Page : 703

6. Location Agreement, including the terms and provisions thereof, with COIN METER COMPANY, for laundry facilities,
Recorded : October 28, 1991
Book : 2470 Page : 1413

7. Encroachments from the northerly portion of the property onto adjacent land and encroachments from adjacent land onto the southerly portions of the property, as disclosed by the plat. ✱

8. Easement for southerly encroachments as disclosed by the plat. ✱

9. Easement to Portland General Electric Company for transformers and electric utility conduits, which easement has been recorded in Multnomah County Records and which easement is noted on the plat.

EXHIBIT B

FRACTIONAL INTEREST IN COMMON ELEMENTS

Unit 10	5/100
Unit 12	3/100
Unit 14	3/100
Unit 16	5/100
Unit 20	5/100
Unit 21	5/100
Unit 22	3/100
Unit 23	3/100
Unit 24	3/100
Unit 25	3/100
Unit 26	5/100
Unit 27	5/100
Unit 30	5/100
Unit 31	5/100
Unit 32	3/100
Unit 33	3/100
Unit 34	3/100
Unit 35	3/100
Unit 36	5/100
Unit 37	5/100
Unit 41	5/100
Unit 43	5/100
Unit 45	5/100
Unit 47	5/100

The foregoing declaration is approved this ____ day of _____, 19 ____.

Assessor and Tax Collector for
Multnomah County

The foregoing declaration is approved this 24 day of October, 1995.

SCOTT W. TAYLOR
Real Estate Commissioner

By: Stan F. Maybank

revised to: 401 514-175 ASE
PDX, OR

DECLARATION SUBMITTING CARLISLE CONDOMINIUM
TO THE OREGON CONDOMINIUM ACT ✓

THIS DECLARATION is made and executed by Cable Hill L.L.C., an Oregon limited liability company, hereinafter called "Declarant."

Declarant desires to create a condominium to be known as Carlisle Condominium, which will be located in the City of Portland, Multnomah County, Oregon. The purpose of this declaration is to submit the project to the condominium form of ownership and use in the manner provided by the Oregon Condominium Act.

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

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

1.1 "Act" means the Oregon Condominium Act. ✓

1.2 "Association" means the Association of Unit Owners of Carlisle Condominium.

1.3 "Board of Directors" means the directors selected pursuant to the provisions of this declaration and the bylaws to govern the affairs of the Association.

1.4 "Bylaws" means the bylaws of the Association adopted as provided herein, as the same may be amended from time to time.

1.5 "Declarant" means Cable Hill L.L.C., an Oregon limited liability company.

1.6 "Plat" means the plat of Carlisle Condominium, recorded simultaneously with the recording of this declaration.

1.7 "Incorporation by Reference." Except as otherwise provided in this declaration, each of the terms used herein shall have the meaning set forth in ORS 100.005, a part of the Act.

2. PROPERTY SUBMITTED. Declarant has fee simple title to the land submitted hereunder. It is located in the City of Portland, Multnomah County, Oregon, and is more particularly described in Exhibit A attached hereto. The property submitted hereunder includes the land so described, all buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging thereto. ✓

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

4. GENERAL DESCRIPTION OF BUILDING. The condominium consists of one (1) building, containing twenty four (24) units. The building has four stories plus a two-story penthouse. The building is wood frame construction, with vinyl siding and a concrete foundation with steel beam supports. A flat gravel roof covers a portion of the building, and a pitched composite shingle roof covers the remaining portion. The first floor of the building contains a security entrance, sitting area, mailboxes, an elevator, and a separate garage area with an electric roll up gate operated by remote control. The garage contains eight individual parking stalls and four tandem style stalls (making a total of sixteen parking spaces), and nine storage units. Adjacent to the garage parking area is a laundry facility with leased washers and dryers. There are nine exterior parking spaces on the property.

5. UNITS.

5.1 General Description of Units. The units are designated Units 10, 12, 14, 16, 20-27, 30-37, 41, 43, 45, and 47. Units 10, 12, 14, and 16 are located on the second story. Units 20, 21, 22, 23, 24, 25, 26, and 27 are located on the third story. Units 30, 31, 32, 33, 34, 35, 36, and 37 are located on the fourth story. Units 41 and 47 are located on the fifth story (the lower floor of the penthouse). Units 43 and 45 are two-story units located on the fifth and sixth floors (both floors of the penthouse).

Units 12, 22, and 32 each contain a kitchen, living room, one bedroom, one bathroom, and a deck, and enclose approximately 660 square feet. Units 14, 24, and 34 each contain a kitchen, living room, one bedroom, and one bathroom, and enclose approximately 660 square feet. Units 23, 25, 33, and 35 each contain a kitchen, living room, one bedroom, and one bathroom, and enclose approximately 712 square feet. Units 43 and 45 each contain a kitchen, living room, loft/den, interior stairway, one bedroom, and one and one-half bathrooms, and enclose approximately 1000 square feet. Units 10, 20, and 30 each contain a kitchen, living room, loft, one bedroom, and two bathrooms and enclose approximately 1042 square feet. Units 16, 21, 26, 27, 31, 36, 37, 41, and 47 each contain a kitchen, living room, two bedrooms, and two bathrooms, and enclose approximately 1087 square feet.

The dimensions, designation, and location of each unit are shown in the plat filed simultaneously herewith and made a part of this declaration as if fully set forth herein. *

5.2 Boundaries of Units. Each unit shall be bounded by the interior unfinished surfaces of its perimeter and bearing walls, floors, and ceilings. The portion of a unit that consists of a deck shall be bounded by an imaginary line extending upward from the outer edge of the floor of the deck, perpendicular to the floor of the deck, to a point of intersection with a second imaginary line extending toward the deck from the unfinished surface of the ceiling of the remainder of the unit. All plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof shall be a part of the unit and all other portions of said walls, floors or ceilings shall be part of the common elements. The unit shall include windows, window frames, exterior and interior doors, door frames, air space, non-bearing interior partitions, and all other appliances, fixtures and improvements contained therein. In addition, each unit shall include the outlet of any utility

service lines, including but not limited to water, sewerage, gas, electricity, and ventilating ducts within the unit, but shall not include any part of such lines or ducts themselves.

5.3 Use of Units. The units shall be occupied and used by the respective owners only for residential purposes for the owner, family, tenant and social guests and for no other purposes. The owners of the respective units shall have the right to lease or rent the unit or any part thereof, provided that any such lease or rental agreement shall be subject to the covenants and restrictions contained in this declaration and is further subject to the bylaws, rules and regulations of the Association.

6. COMMON ELEMENTS.

6.1 General Common Elements. The general common elements consist of the following, to the extent they exist on the property, and except as portions thereof are expressly designated in this declaration as part of a unit or limited common element:

(a) The land, pathways, driveways, fences, grounds, storage units, and parking spaces (if any) not assigned to units;

(b) The foundations, columns, girders, beams, supports, bearing walls, perimeter walls, main walls, roofs, and exterior decks, corridors, lobbies, elevator, stairs, fire escapes, entrances and exits of the building;

(c) 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;

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

(e) All other elements of any building necessary or convenient to its existence, maintenance and safety, or normally in common use.

6.2 Limited Common Elements. The following constitute limited common elements, the use of which shall be restricted to the unit(s) to which they pertain:

(a) Units 41, 43, 45, and 47 are each assigned the deck adjacent to the individual Unit, as shown on the plat.

(b) Twenty one of the units are assigned the parking space or parking spaces which bear the same number as the unit, as shown on the plat.

6.3 Undivided Interest in Common Elements. Each unit is allocated an undivided fractional interest in the common elements as shown on Exhibit B. The allocation reflects the relative sizes of, and number of bedrooms/lofts in, the units. Each unit's undivided interest shall be deemed to be conveyed or encumbered with conveyance of said unit, even though the description in the instrument of conveyance or encumbrance may refer only to title in the unit.

6.4 Use of Common Elements. No person shall use the common elements or any part thereof in any manner contrary to or not in accordance with this declaration, the bylaws or such rules and regulations pertaining thereto which from time to time may be promulgated by the Board of Directors.

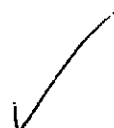
6.5 Maintenance, Repair, and Replacement. Except to the extent it is imposed on the unit owners by this declaration or the bylaws, the necessary work to maintain, repair or replace the common elements shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the bylaws. Nothing herein, however, shall be construed so as to preclude the Board of Directors from delegating such duties to individuals or entities.

7. COMMON PROFITS AND COMMON EXPENSES. The common profits shall be allocated among the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that no such profits shall be distributed among the unit owners and shall be used solely for purposes of maintaining, repairing, and replacing the common elements or other expenses of the Association. The common expenses shall be assessed to the unit owners according to the allocation of undivided interest of each unit in the common elements; provided, however, that unit owners may be assessed additional amounts individually for common expenses incurred through such unit owner's fault or direction or as otherwise provided in the bylaws.

8. SERVICE OF PROCESS. The designated agent to receive service of process in cases provided in subsection (1) of ORS 100.550 is named in the Condominium Information Report which has been filed in accordance with the Act.

9. EASEMENTS AND ENCROACHMENTS.

9.1 Right of Access. The Association, through its Board of Directors, shall have the right to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, or to make emergency repairs therein necessary for the public safety or to prevent damage to the common elements or to another unit. In case of an emergency originating in or threatening his unit, or other portion of the condominium, each unit owner hereby grants the right of entry to any person authorized by the Board of Directors or the Association, whether or not the owner is present at the time. Each unit owner shall, upon request, leave a key to his unit with the Board of Directors to be used in such emergencies.



9.2 Encroachments. 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 movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of the encroaching units and common elements so long as the encroachments shall exist, and except as otherwise provided in the Act the rights and obligations of owners shall not be altered in any way by the encroachment, nor shall the encroachments be construed to be encumbrances affecting the marketability of title to any unit.

9.3 Granting of Interest Affecting Common Elements. The Association shall have the authority to grant leases, easements, rights of way, licenses or other similar interests affecting the general common elements, and to consent to vacation of roadways adjacent to the condominium. The granting of a lease in excess of two (2) years or any other interest or consent pursuant to this section shall first be approved by at least seventy-five percent (75%) of all votes of the unit owners as required by ORS 100.405(6); however, a lease of the general common elements for a term of two (2) years or less shall not require approval of the unit owners. The instrument granting any such interest or consent shall be executed by the Chairman and Secretary of the Association and acknowledged in the manner provided for acknowledgment of such instruments by such officers and shall, if applicable, state that such grant or consent was approved by at least seventy-five percent (75%) of all votes of the unit owners. ✓

10. VOTING RIGHTS. The owners or co-owners of each unit shall be entitled to one vote.

11. ASSOCIATION OF UNIT OWNERS.

11.1 Organization; Adoption of Bylaws. Upon the execution and recording of this declaration, the Association shall be organized to serve as a means through which the unit owners may take action with regard to the administration, management, and operation of the condominium. Declarant shall simultaneously adopt and record bylaws for the Association.

11.2 Membership; Board of Directors. Each unit owner shall be a member of the Association, and membership therein shall be limited to unit owners only. The affairs of the Association shall be governed by a Board of Directors as provided in the bylaws.

11.3 Power and Duties of the Association. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, together with such additional powers and duties contained in this declaration and the bylaws.

11.4 Declarant Control of Association; Interim Board of Directors. Declarant will appoint an interim Board of Directors for the Association. Declarant hereby reserves the right to control the Association until the earlier of a) the date of conveyance to persons other than Declarant of seventy-five percent (75%) of the units, or b) three years from the date the first unit is conveyed. Accordingly, upon the recording of the declaration and

bylaws, the interim directors shall serve until the turnover meeting is held as provided in the bylaws.

11.5 Management Agreements, Contracts, and Leases. The Board of Directors, including the interim Board of Directors, shall have the right to contract with a professional manager or management firm to manage the affairs of the Association. However, if entered into prior to the turnover meeting of the condominium, no management agreement, service contract or employment contract which is directly made by or on behalf of the Association, the Board of Directors, or the unit owners as a group shall be in excess of three years and may be terminated without penalty by the Association or the Board of Directors upon not less than thirty (30) days written notice to the other party given not later than sixty (60) days after the turnover meeting.

12. MORTGAGEES.

12.1 Definitions. As used herein, the following terms shall have the following meanings:

(a) "Mortgage" means a recorded mortgage or trust deed creating a lien against a unit; and

(b) "Eligible mortgage holder" means a holder of a first mortgage on a unit who has requested notice of certain matters from the Association in accordance with Section 12.3 below.

12.2 Notice to Association. At the request of the Board of Directors, each owner shall promptly supply to the Board the name and address of the mortgagee or mortgagees of his unit.

12.3 Notice to a Holder, Insurer, or Guarantor of a Mortgage. A holder, insurer, or guarantor of a mortgage on a unit, who submits a written request to the Association stating the name and address of the holder, insurer, or guarantor and the unit number or address of the mortgaged unit shall be entitled to timely written notice of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the condominium or the unit securing its mortgage;

(b) Any sixty-day (60-day) delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;

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

(d) Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

12.4 Consent to Termination of the Condominium. Except with respect to termination of the condominium as a result of destruction, damage, or condemnation, any termination of the condominium shall require the approval of eligible ~~mortgage holders~~ representing at least sixty-seven percent (67%) of the votes of units that are subject to mortgages held by eligible mortgage holders. This approval shall be in addition to such other approvals and procedures as may be required by the declaration, bylaws, and Act. ✓

12.5 Consent to Amendment of Documents. Except as otherwise provided in the Act, the approval of eligible mortgage holders representing at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders shall be required for any amendments of a material nature to the declaration or bylaws. Any amendment to the declaration or bylaws which changes any of the following would be considered as material:

- (a) Voting rights;
- (b) Assessments, assessment liens, or the priority of assessment liens;
- (c) Reserves for maintenance, repair and replacement of the common elements;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the general or limited common elements, or rights to their use;
- (f) Redefinition of any unit boundaries;
- (g) Convertibility of units into common elements or of common elements into units;
- (h) Expansion or contraction of the condominium or the addition, annexation, or withdrawal of property to or from the condominium;
- (i) Insurance or fidelity bonds;
- (j) Leasing of units;
- (k) Imposition of any restriction on a unit owner's right to sell or transfer his or her unit;
- (l) A decision by the Association to establish self-management when professional management had been required previously by eligible mortgage holders;

(m) Restoration or repair of the condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the declaration, bylaws, or Act;

(n) Any action to terminate the legal status of the condominium after substantial destruction or condemnation occurs; or

(o) Any provisions that expressly benefit mortgage holders, insurers, or guarantors.

This approval shall be in addition to such other approvals and procedures as may be required by the declaration, bylaws, and Act.

12.6 Request for Approval of Eligible Mortgage Holders. Any eligible mortgage holder or other mortgagee who receives a written request to approve additions or amendments to the declaration, bylaws, or other action to be taken by the Board of Directors, Association, or unit owners, shall be deemed to have given such approval unless a negative response is delivered or posted to the requesting party within thirty (30) days after such request has been received, provided that the written request was delivered by certified mail with "return receipt requested."

12.7 Mortgagee's Request for Professional Management. Upon written request of eligible mortgage holders representing at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders, the Board of Directors shall employ a professional manager to manage the affairs of the Association. Any agreement for professional management shall be consistent with Section 11.5. ✕

12.8 Discharge of Lien Upon Foreclosure. Where the purchaser of a unit obtains title to a unit as a result of foreclosure of the first mortgage or first trust deed, such purchaser, his successors and assigns, shall not be liable for any of the assessments against such unit or its owner which became due prior to the acquisition of title to such unit by such purchaser. Such unpaid assessments shall be a common expense of all the unit owners including such purchaser, his successors and assigns. ✓

12.9 Right to Receive Written Notice of Meetings. A holder of a first mortgage shall, upon written request to the Association, be entitled to receive notice of all meetings of the Association and shall be entitled to designate a representative to attend all such meetings.

12.10 Additional Approvals. Unless fifty-one percent (51%) of the holders of first mortgages of individual units have given their prior written approval, the Association shall not:

(a) Change the pro rata interest or obligations of any unit for (1) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards, and (2) determining the pro rata share of ownership of each unit in the common elements;

(b) Partition or subdivide any unit;

(c) By act or omission, seek to abandon or terminate the condominium status of the project except as provided by statutes in case of substantial loss to the units and common elements of the condominium project;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause; or

(e) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the condominium project.

12.11 Right to Examine Books and Records. All mortgagees (including insurers and guarantors of mortgages) shall have the right to examine the books and records (including the declaration, bylaws, rules, and regulations and financial statements) of the Association upon written request. Such books and records shall be available for duplication at reasonable times; a mortgagee shall be entitled to have an audited financial statement prepared at his own expense if such audited statement is not otherwise available; the Association, its Board of Directors and its officers shall cooperate to facilitate the necessary auditing and review process.

13. AMENDMENT.

13.1 Approval Required. Except as may otherwise be provided in this declaration or by the Act, the declaration may be amended if such amendment is approved by seventy-five percent (75%) or more of all votes of the unit owners. ~~No~~ amendment may change the allocation of undivided interest in the common elements, method of determining liability for common expenses, right to common profits, or voting rights of any unit unless such amendment has been approved by the owners of the affected units and the holders of any mortgage or trust deed on such unit. ~~No~~ amendment may reduce or eliminate the rights of first mortgagees set forth herein without the written consent of fifty-one percent (51%) of all such first mortgagees.

13.2 Recordation. The amendment 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 the declaration and the


provisions of ORS 100.005 to 100.910 and 100.990, and approved by the Real Estate Commissioner, in the Deed Records of Multnomah County.

14. DECLARANT'S RIGHTS.

Notwithstanding any provision to the contrary in this declaration or the bylaws, Declarant shall have the following special rights:

14.1 Amendment to Declaration and Bylaws. No amendment to the declaration and bylaws shall be effective without the written consent of Declarant until such time as seventy-five percent (75%) of the units have been conveyed to persons other than Declarant. No amendment may limit or diminish any right of Declarant reserved under the declaration, the Act, or any other special declarant right without the written consent of Declarant until such time as Declarant waives in writing this right of consent.

14.2 Assessments for Additional Capital Improvements. No units owned by Declarant shall be assessed by the Association or the Board of Directors for the construction or acquisition of additional capital improvements without the written consent of Declarant as long as Declarant owns more than two units or five percent of the units submitted to the condominium, whichever is greater.

14.3 Development Easement. Declarant and its agents shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of completing any portion of the condominium, discharging any obligation of Declarant, and/or carrying out sales and rentals of units and advertisements thereof, including posting signs on the property. Declarant shall have the right to use units owned by Declarant as model units and shall have the right to use a unit as a sales office. 

14.4 Other. Declarant shall be entitled to any and all other special declarant rights, in addition to those specified herein, that are reserved for the benefit of or created by the Declarant under the declaration, bylaws, or the provisions of the Act.

15. SEVERABILITY.

Should any of the provisions herein conflict with the provisions of the Act, the statutory provisions shall apply. 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.

16. CONFLICTING PROVISIONS.

In the event of a conflict between or among the declaration, bylaws, and any administrative rules and regulations, the provisions of the declaration shall be paramount to the bylaws and the rules and regulations, and the bylaws shall be paramount to the rules and

regulations. For purposes of this section, the term "declaration" shall include all amendments and the term "bylaws" shall include all amendments.

IN WITNESS WHEREOF, Declarant has caused this declaration to be executed this 21st day of September, 1995.

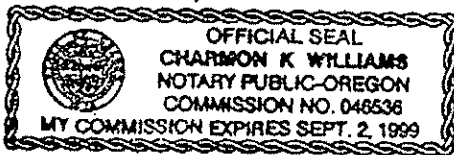
CABLE HILL L.L.C.,
an Oregon limited liability company

By: Gregg McCarty
Gregg McCarty

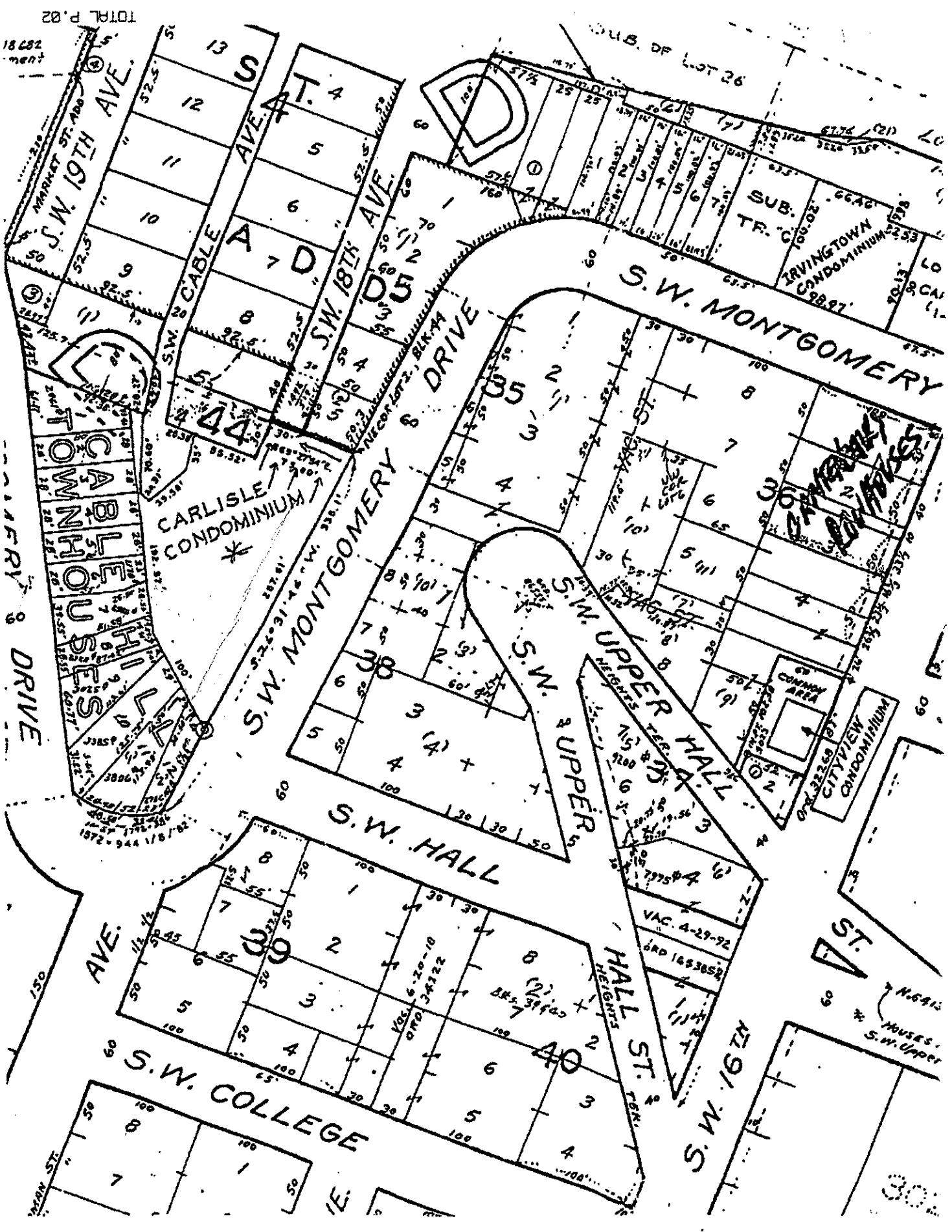
Title: Managing Member

STATE OF OREGON)
County of Multnomah) ss.

On this 21st day of September, 1995, before me personally appeared Gregg McCarty, who being duly sworn, did say that he is a member of Cable Hill L.L.C., an Oregon limited liability company, and that the foregoing instrument was signed on behalf of said company by authority of its members, and acknowledged that said instrument is the free act and deed of said company.



Charmon K. Williams
Notary Public for Oregon
My Commission Expires: 9/2/99



TOTAL P. 02

18781
turn

1/4 B. OF LOT 26

SUB. TR. C.
IRVINGTOWN CONDOMINIUM

CARLISLE CONDOMINIUM

30
2
1

CITYVIEW CONDOMINIUM

DRIVE

AVE.

S.W. COLLEGE

S.W. HALL

HALL ST.

S.W. 16th

ST.

Houses S.W. Upper

30

100-50-100

"CARLISLE CONDOMINIUM"

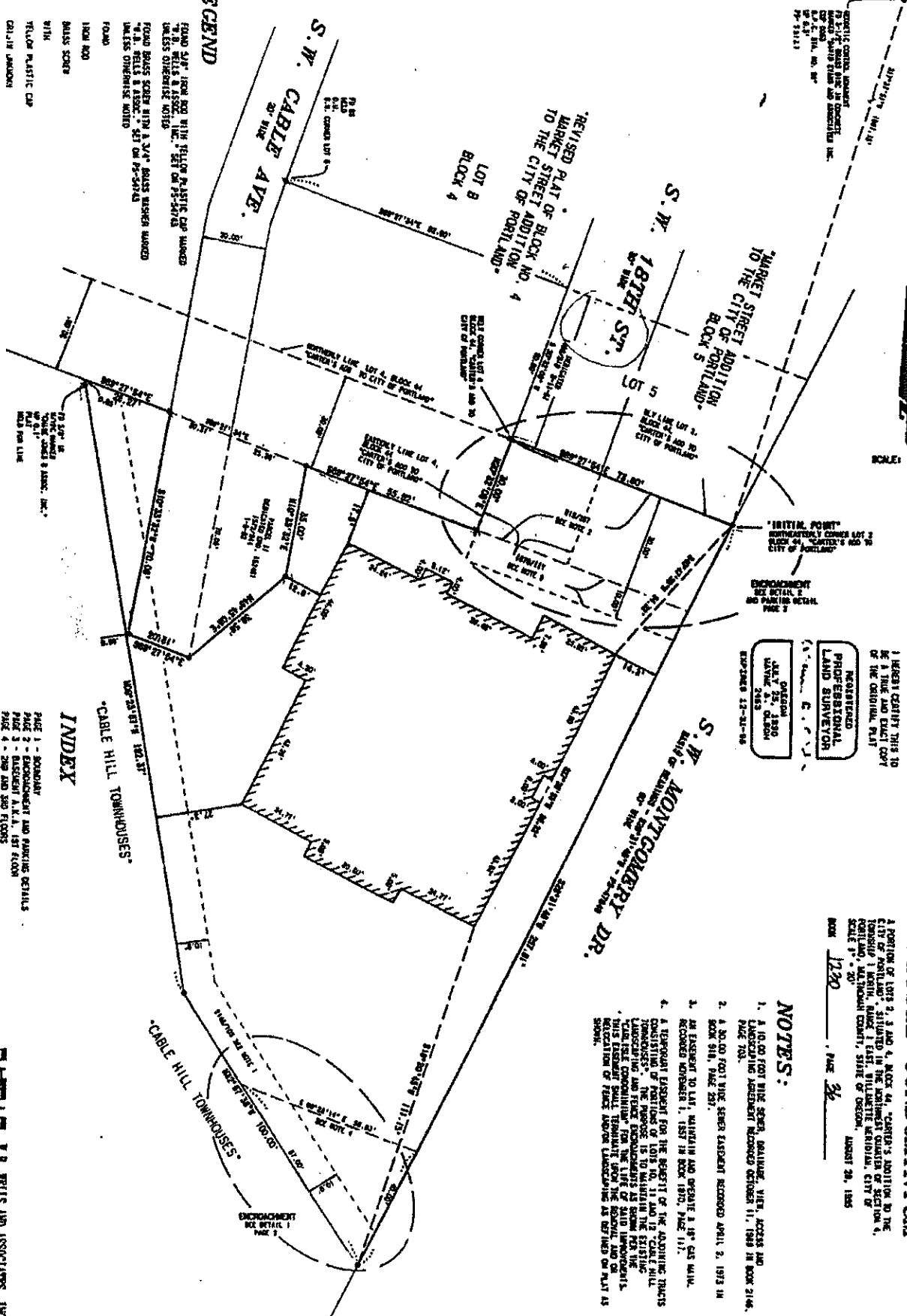
A PORTION OF LOTS 2, 3 AND 4, BLOCK 4A, "CARLISLE" ADDITION TO THE CITY OF PORTLAND, CLATSOP COUNTY, OREGON, BEING THE CARLISLE CONDOMINIUM, CITY OF PORTLAND, CLATSOP COUNTY, STATE OF OREGON.
 SCALE 1" = 20'
 BOOK 1230 PAGE 36
 APRIL 29, 1985

NOTES:

1. A 10.00 FOOT WIDE STRIP, GRADING, VENT, ACCESS AND LANDSCAPING IMPROVEMENT RECORDED OCTOBER 11, 1983 IN BOOK 2146, PAGE 703.
2. A 30.00 FOOT WIDE STREET EXPANSION RECORDED APRIL 2, 1973 IN BOOK 618, PAGE 257.
3. AN EASEMENT TO LAY, MAINTAIN AND OPERATE A 18" GAS MAIN, RECORDED NOVEMBER 1, 1957 IN BOOK 1812, PAGE 117.
4. A TEMPORARY EASEMENT FOR THE BENEFIT OF THE ADJOINING TRACTS CONSISTING OF PORTIONS OF LOTS NO. 1 AND 12, "CABLE HILL TOWNHOUSES", THE PURPOSE IS TO MAINTAIN THE EXISTING LANDSCAPING AND TREES ENCROACHING AS SHOWN PER THE "REVISIONS" HEREON FOR THE LIFE OF SAID IMPROVEMENTS. THE USES COMPREHENSIVE FOR THE LIFE OF SAID IMPROVEMENTS, INCLUDING THE RELOCATION OF TREES ABOVE LANDSCAPING BE SHOWN ON PLAT AS SHOWN.

REGISTERED
 PROFESSIONAL
 LAND SURVEYOR
 OREGON
 JULY 25, 1980
 WAIVE F. 1000
 ELP 0288 22-31-74

- ### LEGEND
- FOUND 3/4" IRON ROD WITH YELLOW PLASTIC CAP MARKED "T.B. BELLS & ASSOC., INC. SET ON 11-14-78 UNLESS OTHERWISE NOTED
 - FOUND BRASS SCREW WITH 3/4" GALV. NUTS MARKED "T.B. BELLS & ASSOC., INC. SET ON 11-14-78 UNLESS OTHERWISE NOTED
 - FOAM
 - 1/2" IRON ROD
 - BRASS SCREW
 - W/ WITH
 - W/ YELLOW PLASTIC CAP
 - C.I. CAST IRON MANHOLE
 - P.L.T. PLAT OF "CABLE HILL TOWNHOUSES"
 - P.S. PRIVATE SURVEY NUMBER, ALTHOUGH COUNTY SURVEY RECORDS



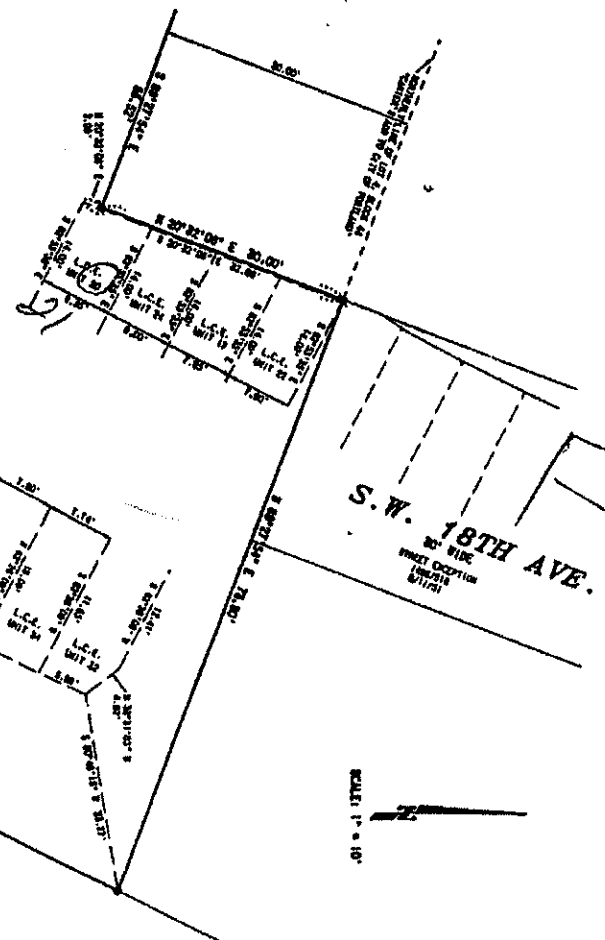
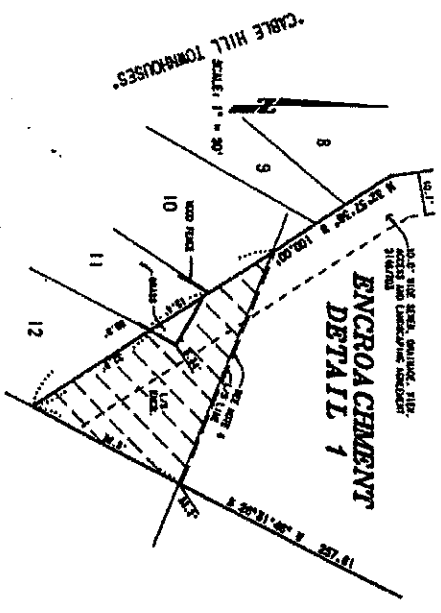
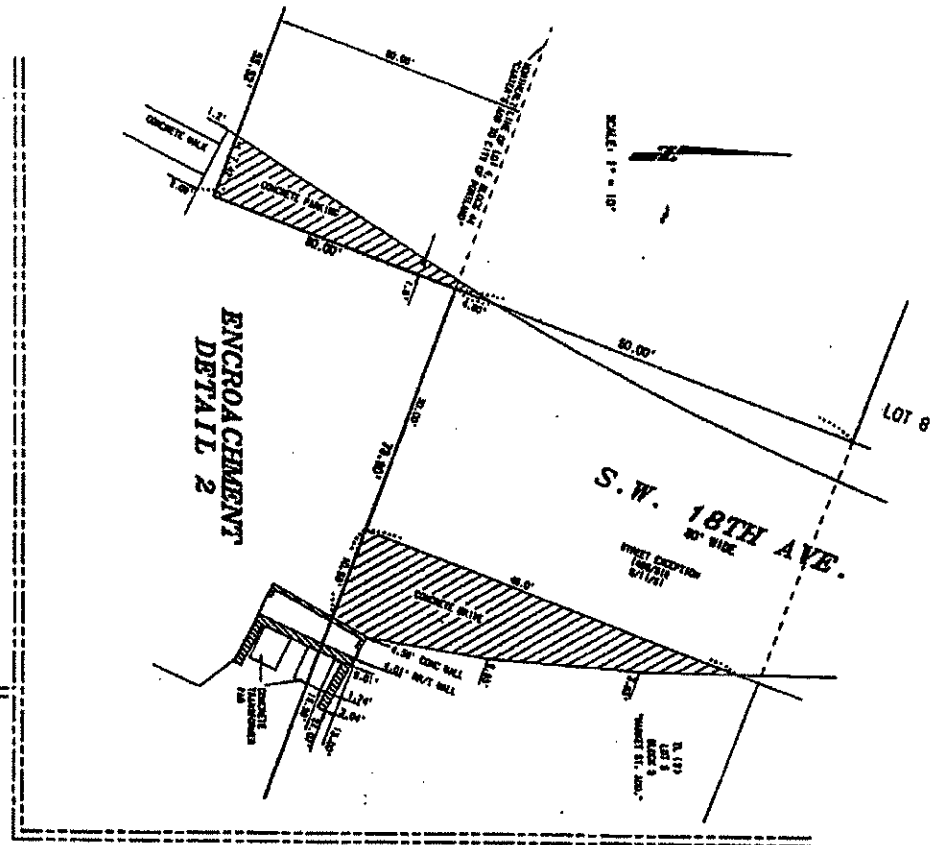
INDEX

- PAGE 1 - BOUNDARY
- PAGE 2 - ENCROACHMENT AND PLUMBING DETAILS
- PAGE 3 - EASEMENT AND 18" GAS MAIN
- PAGE 4 - 2ND AND 3RD FLOORS
- PAGE 5 - 4TH FLOOR
- PAGE 6 - PERIMETER, 1ST, 2ND AND CELLARS
- PAGE 7 - CROSS SECTIONS "A" - "D" THROUGH "1" - "4"
- PAGE 8 - CROSS SECTIONS "5" - "8" AND "9" - "12"
- PAGE 9 - APPROVALS, DECLARATION, ASSIGNMENT, SIGNATURES, CERTIFICATE AND SUBMITTIVE.

T.B. BELLS AND ASSOCIATES, INC.
 SURVEYORS
 1000 N. W. 10TH ST.
 PORTLAND, OREGON 97227
 PHONE (503) 241-3438
 FAX (503) 241-8230
 FILE NO. 35-181

"CARLISLE CONDOMINIUM"

A PORTION OF LOTS 2, 3 AND 4, BLOCK 44, "CANTON" ADDITION TO THE CITY OF PORTLAND, SITUATED IN THE NORTHWEST QUARTER OF SECTION 4, T.1N. W.10N., R.1E., CLATSOP COUNTY, STATE OF OREGON. AUGUST 26, 1985
 BOOK 1730 PAGE 37
 SCALE 1" = 10'



- LEGEND**
- FOUND 3/4" IRON ROD WITH YELLOW PLASTIC CAP MARKED T.1. BELLS & ASSOC., INC., SET ON P.S. 57743
 - FOUND BRASS SCOPES WITH BRASS MARKER MARKED T.1. BELLS & ASSOC., SET ON P.S. 57743
 - LANDSCAPING
 - ▨ BALMAID TIE
 - ▧ REINFORCED CONCRETE
 - ▩ ENCROACHMENT
 - ▲ AUTO SPRINKLER
 - ▤ LIMITED COMMON ELEMENT
 - ▥ PRIVATE SURVEY MARKER
 - ▧ METEOROLOGICAL SURVEY RECORDS

REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

OREGON AND
 WA. STATE
 BOARD OF
 SURVEYORS
 530-2542 12-31-84

I HEREBY CERTIFY THIS
 TO BE A TRUE AND EXACT
 COPY OF THE ORIGINAL PLAN



T.B. WELLS AND ASSOCIATES, INC.
 SURVEYORS/ENGINEERS/PLANNERS
 1000 N.W. 10TH AVENUE, SUITE 100
 PORTLAND, OREGON 97228
 PHONE 1-503-244-8848
 FAX 1-503-244-8850

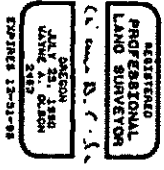
"CARLISLE CONDOMINIUM"

A PORTION OF LOTS 2, 3 AND 4, BLOCK 44, VARIETY ADDITION TO THE CITY OF PORTLAND, SAID PORTLAND BEING IN THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 1 NORTH, RANGE 12 EAST, COUNTY OF CLATSOP, STATE OF OREGON. AUGUST 28, 1985
 BOOK 1290, PAGE 36

SURVEYOR'S CERTIFICATE

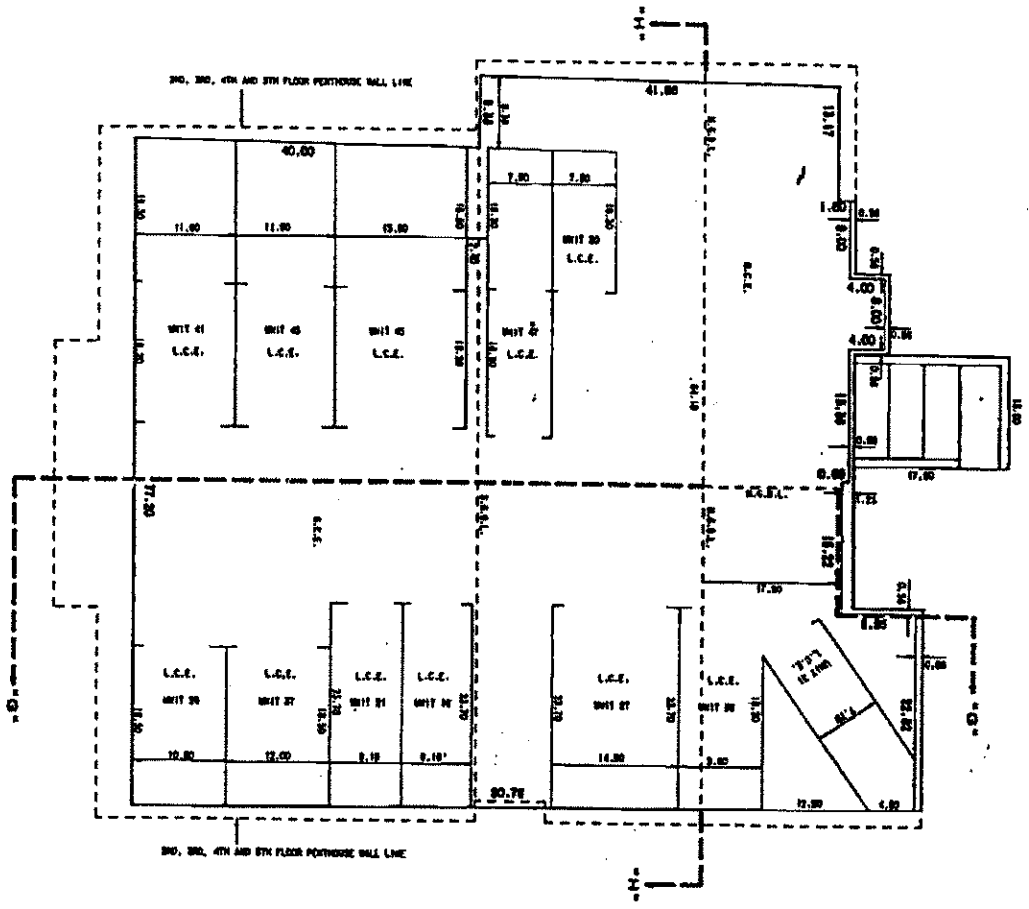
I, WAVE A. OLSON, A REGISTERED PROFESSIONAL SURVEYOR, DO HEREBY CERTIFY THAT THE BOUNDARY LINES AND DIMENSIONS OF THE CARLISLE CONDOMINIUM SHOWN ON THIS PLAN ARE CORRECT AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF. THE SURVEY WAS COMPLETED AS OF AUGUST 28, 1985.

I HEREBY CERTIFY THIS TO BE A TRUE AND FAITHFUL COPY OF THE ORIGINAL PLAN.



- NOTES:**
1. BASEMENT WALLS ARE NOT PARALLEL OR PERPENDICULAR TO EACH OTHER.
 2. THE WALL ALIGNMENT AND RISEN WALLS. THE APPROXIMATE RISE IS 0.5' +/-, UNLESS OTHERWISE SHOWN.
 3. PARKING SPACES ARE LIMITED COMMON ELEMENTS ASSIGNED TO UNITS AS SHOWN PER SECTION 6.2 OF THE DECLARATION.

- LEGEND**
- C.C.E. GENERAL COMMON ELEMENT
 - L.C.E. LIMITED COMMON ELEMENT
 - N.S.B.L. NORTH GRADE BREAK LINE
 - S.G.B.L. SOUTH GRADE BREAK LINE
 - M.S.B.L. WHOLE GRADE BREAK LINE



FIRST FLOOR
 BASEMENT AREA
 SCALE 1" = 10'
 SEE SHEET 1 AND 2

WAVE A. OLSON
 REGISTERED PROFESSIONAL LAND SURVEYOR
 1100 N. OREGON ST. #100
 PORTLAND, OREGON 97227
 PHONE (503) 241-4488
 FAX (503) 244-4550

WAVE A. OLSON & ASSOCIATES, INC.
 1100 N. OREGON ST. #100
 PORTLAND, OREGON 97227
 PHONE (503) 241-4488
 FAX (503) 244-4550

FILE NO. 52-187

PAGE 3 OF 9

EXHIBIT A

A portion lots 2, 3, and 4. Block 44, "CARTER'S ADDITION TO THE CITY OF PORTLAND", situated in the Northwest Quarter of Section 4, Township 1 South, Range 1 East, Willamette meridian, City of portland, County of Multnomah, State of Oregon, being more particularly described as follows:

Beginning at the "Initial Point", a found 5/8" iron rod with yellow plastic cap marked "W. B. Wells & Assoc. Inc." and the Northeasterly corner of Lot 2 in said Block 44; said point bears South 69°27'54" East, a distance of 92.50 feet; then South 20°32'06" West, a distance of 50.00 feet; then South 69°27'54" East, a distance of 73.80 feet from the Southwest corner of Lot 8, Block 4, in the "Revised Plat of Block No. 4 Market Street Addition to the City of Portland"; thence along the Westerly right-of-way line of SW Montgomery Drive, South 26°31'46" West, a distance of 257.61 feet; then along the Easterly line of the plat of "Cable Hill Townhouses", North 32°57'36" West, a distance of 100.00 feet to an angle corner; then North 9°23'57" West, a distance of 192.37 feet; thence along a line that is 30.00 feet distant and parallel to the Northerly line of said Lot 4, South 69°27'54" East, a distance of 28.27 feet; thence along the Westerly line of SW Cable Avenue, South 10°33'32" West, a distance of 70.06 feet; thence along the Southerly line of said street, South 69°27'54" East, a distance of 20.31 feet; thence along the Easterly line of said street, North 49°45'03" East, a distance of 39.58 feet to an angle corner; then North 10°33'32" East, a distance of 35.00 feet; thence along said line said line that is 30.00 feet distant and parallel to the Northerly line of Lot 4, South 69°27'54" East, a distance of 55.52 feet; thence along the Easterly line of said lot 4 and the extension of SW 18th Street, North 20°32'06" East, a distance of 30.00 feet to the Northeast corner of said lot 4; thence along the Northerly line of said Lot 2, South 69°27'54" East, a distance of 73.80 feet to the "Initial Point".

Together with and subject to the following:

1. Easement, including the terms, rights and provisions thereof,
For : 16-inch gas main and appurtenances
Granted to : PORTLAND GAS & COKE COMPANY,
a corporation of the State of Oregon
Recorded : November 4, 1957
Book : 1870 Page : 117

2. Easement, including the terms, rights and provisions thereof,
For : Sewer
Granted to : CITY OF PORTLAND, a municipal
corporation
Recorded : April 2, 1973
Book : 918 Page : 297

3. Easement for existing public utilities invacated street area and the conditions imposed thereby.
 Ordinance No. : 152461
 Recorded : January 8, 1982
 Book : 1572 Page : 944

4. Restrictive Covenants to Waive Remonstrance, including the terms and provisions thereof,
 For : Street
 Recorded : April 19, 1984
 Book : 1741 Page : 2184

5. Sanitary Sewer/Drainage and View Access and Peripheral Landscaping Agreement, including the terms and provisions thereof,
 Regarding : Easements for sewer/drainage, yard and view access for benefit of adjoining property owners to the South and West
 Recorded : October 11, 1988
 Book : 2146 Page : 703

6. Location Agreement, including the terms and provisions thereof, with COIN METER COMPANY, for laundry facilities,
 Recorded : October 28, 1991
 Book : 2470 Page : 1413

7. Encroachments from the northerly portion of the property onto adjacent land and encroachments from adjacent land onto the southerly portions of the property, as disclosed by the plat. ✱

8. Easement for southerly encroachments as disclosed by the plat. ✱

9. Easement to Portland General Electric Company for transformers and electric utility conduits, which easement has been recorded in Multnomah County Records and which easement is noted on the plat.

EXHIBIT B

FRACTIONAL INTEREST IN COMMON ELEMENTS

Unit 10	5/100
Unit 12	3/100
Unit 14	3/100
Unit 16	5/100
Unit 20	5/100
Unit 21	5/100
Unit 22	3/100
Unit 23	3/100
Unit 24	3/100
Unit 25	3/100
Unit 26	5/100
Unit 27	5/100
Unit 30	5/100
Unit 31	5/100
Unit 32	3/100
Unit 33	3/100
Unit 34	3/100
Unit 35	3/100
Unit 36	5/100
Unit 37	5/100
Unit 41	5/100
Unit 43	5/100
Unit 45	5/100
Unit 47	5/100

The foregoing declaration is approved this ____ day of _____, 19 ____.

Assessor and Tax Collector for
Multnomah County

The foregoing declaration is approved this 24 day of October, 1995.

SCOTT W. TAYLOR
Real Estate Commissioner

By: Stan F. Mayhew

RESOLUTION
OF THE BOARD OF DIRECTORS OF
ASSOCIATION OF UNIT OWNERS OF CARLISLE CONDOMINIUM
(Regarding Move-In, Move-Out Fees and Procedures)

WHEREAS, the Association of Unit Owners of Carlisle Condominium (the "Association") has general administrative authority over the affairs of the Condominium, including, without limitation, the authority to adopt and enforce reasonable rules and regulations governing the use of the Condominium; and

WHEREAS, the Association regularly incurs certain expenses, and has recently experienced damage to some of the common element hallways, garage door, and other common element areas within the Condominium, in connection with move-in and move-out activity of residents; and

WHEREAS, to date, the Association has not had any formal policy or rules and regulations regarding residents moving in or moving out of the project;

NOW, THEREFORE, IT IS HEREBY

RESOLVED, that the Owner of any unit which is the subject of a move-in or move-out is hereby required to pay a nonrefundable fee to the Association in the amount of Fifty and No/100 Dollars (\$50.00) for each move-in and move-out in connection with the unit to defray the costs and expenses incurred by the Association in connection with such move, including, without limitation, updating of Association books and records for contact information regarding the change in residency, the administration of the move itself, and inspection of the portions of the Condominium involved in connection with the move before and after the move; and it is hereby further

RESOLVED, that it shall be the responsibility of the Owner of the unit involved in the move (rather than the responsibility of any tenant or other resident of such unit) to comply fully with all provisions of the Declaration, Bylaws, and rules and regulations of the Association, including, without limitation, the obligations of this Resolution; and it is hereby further

RESOLVED, that it shall be the responsibility of the Owner of the unit involved in a move-in or move-out to supervise such move-in or move-out as the Owner sees fit in order to protect the interests of the Owner, but the failure so to supervise shall not prevent the Association from enforcing all of its rights and remedies in connection with the move; and it is hereby further

RESOLVED, that the Owner shall be personally liable for the cost of any and all damage to any and all common elements of the Condominium occurring in connection with a move-in or move-out, above and beyond liability for the payment of the fee described above; and it is hereby further

RESOLVED, that any Owner of any unit involved in a move-in or move-out shall be entitled to contract with the Association's management company at its then-current rate for such services in order to assist the Owner in supervising the move, but no such arrangement shall relieve the Owner from personal responsibility to comply with the terms of this Resolution; and it is hereby further

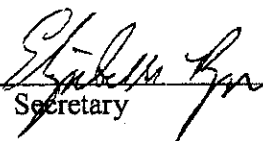
RESOLVED, that if the Association determines that a move-in or move-out activity has occurred with respect to a unit without the payment of the fee called for by this Resolution, then the Association shall be entitled to levy against the Owner a fee equal to two times the amount of the fee otherwise chargeable by the Association in connection with such move; and it is hereby further

RESOLVED, that the Owner whose unit is involved in a move-in or move-out shall comply with such reasonable, additional protocols and procedures as the Association's management company shall prescribe from time to time, such as the requirement temporarily to install protective materials over carpets, tile work, and other locations to protect the common element areas of the common area of the Condominium from damage during such move.

IN WITNESS WHEREOF, the undersigned Secretary hereby certifies that the foregoing Resolution was adopted by the Board of Directors at a duly called meeting effective

August 15, 2012, and that a copy of such Resolution has been mailed to all Owners.

**ASSOCIATION OF UNIT OWNERS OF
CARLISLE CONDOMINIUM**

By: 
Secretary

CARLISLE

C O N D O M I N I U M S

Board Meeting Minutes

Thursday, January 30th, 2014

Attendees: Liz, Michael, Jan Murphy, Jen, Melissa Baldwin, Robert, Sam,
Jessica, Austin

- 1) Call to order; Liz Ryan, President (Quorum required, 2 of the 3 board members)
Homeowners present in person = 8
Homeowners present by proxy = 5
- 2) Minutes of last meeting to be read and approved (Secretary Austin Lingelbach)
- 3) Acceptance of 2012 Annual Meeting Minutes (2013 was rescheduled)
 - a) Jessica motioned to approve, Austin 2nd the motion
- 4) Officer Reports
Treasurer's report (Melissa Baldwin, Treasurer and Mike Shaw, Association Mgr.)
 - a) Income over budget, expenses under budget net \$2K
 - b) Loan balance 360K, Reserve \$68K
- 7) Nominations: Jessica term ending. Melissa nominated and elected
- 5) Reports by special committees
 - a) Flower committee disbanded.
- 6) Unfinished business
 - a) Water repair, 6 units affected – work completed.
 - b) Judy Chang's unit will be financed by HOA
 - i) Ongoing issue since 2007
 - c) Flowers/Plantings in front of building.
 - d) Final coat of deck stain
 - i) Rain delayed. Currently 2 coats, needs another coat, no charges until spring.
 - (1) Discussion re: whether to power wash prior to staining
 - (a) 2 schools of thought:
 - (i) 1. Powerwashing with dry roof can cause issues if cracks do not protect roof. Also, due to timing with fall we are delaying work. So decision was made to move forward with quick coats.
- e) Refinance Loan
 - i) Is refinancing the loan an option?
 - ii) New proposed budget
 - iii) Discussion of HOA fees – support
 - iv) A significant amount owed
 - v) Budget approved
 - f) Carpeting on 2nd Floor



CARLISLE

CONDOMINIUMS

- g) Garage cleaned out
 - looks a lot better
 - professional sweeper are coming (work order in)
 - Raccoon caught by live trap
 - Taken to a “happier” place by trapper
 - (Long history of raccoons in building)

- 7) New business
 - a) Rules and Regs (Communal Living Guidelines)
 - b) Dog Barking
 - c) Removal of contents from Locker #11
 - d) Next steps for property maintenance
 - i) Cautious with building expenses
 - ii) Window washing to be done in Spring
 - (1) Compare bids Winter vs. Spring
 - (2) Company who has done work before can't be found (Dan the Window Man out of business?)
 - (a) Must use from “net vendor list” to protect the assoc. (insurance/liability)
 - iii) Door in bike room to be fixed (code/keys)
 - iv) Paint garage storage units?
 - low priority, wait for now
 - e) Unit 33 sold
 - f) Compost addition discussion
 - i) Issue is we may not be qualified
 - ii) Other concerns:
 - (1) A lot of renters
 - (2) Raccoons
 - (3) Need oversight
 - (4) Current rules aren't being followed

- 8) Open Forum
 - I. Pull out flowers
 - II. Front door will be fixed
 - III. Light bulbs replaced in lobby
 - IV. Order in floor in hallway (2nd floor specifically)
 - V. Cleaned in April
 - VI. Snow and ice removal
 - a. De-icing company – requesting quote for “auto” option
 - b. B&H - \$51.50/hr
 - VII. Storage unit question – will appeal to fire marshall to reinstate roofs
- 9) Set Date for next Meeting - 4-10-2014

- 10) Adjournment - Motion made to end meeting 7:40 pm



CARLISLE

C O N D O M I N I U M S

Meeting Notes

6:30 pm Thursday, April 10th, 2014 Unit #16

In Attendance: Liz Ryan, Melissa Baldwin (Board Members), Mike Shaw (HOA Manager), Arlene East, Michael Ryan, Sam Danon, Marty Mallory, Colin Doyle, Brad Denney

OPEN FORUM

- 1) Call to order
 - a) Liz called the meeting to order at 6:40pm
- 2) Approval of Meeting Minutes
 - a) Melissa read, Liz and Melissa approved
- 3) Officer Reports
 - a) Treasurer's report
 - Jessica Gardner, Treasurer and Mike Shaw, gave current financial report
 - Income Over Budget
 - Expenses Under Budget
 - Liz Made Motion to Approve, Austin 2nd
- 4) Reports by special committees
 - a) Flower committee disbanded
- 5) Open Forum
 - a) Visitor Parking – Established that there are no rules and cannot be
 - City owns and refuses to sell
 - b) Renters – Currently no limit and discussion about if this should be capped
 - Current ratio is 45.8% renters
 - In 2002 only 5 renters
 - Some loans will not go through without certain % criteria
 - Owners do not want to lose the ability to rent
 - High HOAs create difficult selling climate
 - May be difficult to get a change passed, more discussion needed
 - c) Move in and Out Fee Discussed
 - Some haven't been paying it
- 6) Unfinished business
 - a) Refinance and Loan situation
 - Original Terms 15yr at 7.2%
 - Some feel misled about the terms
 - Options discussed
 - Full assessment
 - Partial assessment
 - Refinance w/ out assessment



CARLISLE

CONDOMINIUMS

- (a) Shorter term, lower interest
 - Hiring someone to look over the situation and options was discussed
 - B&H asked to clarify roles and expectations
 - Decision made to come with options at next meeting
 - Liz made motion to have Brad's friend present some options, Melissa 2nd
 - b) Storage Unit Tops
 - Fire department has allowed us to put tops back on
 - \$260 per person
 - Liz made motion to send letter to owners giving options on how to proceed, Melissa 2nd
 - c) 2nd Floor Carpet Odor
 - Damaged by pet urine
 - Liz motioned to replace carpet before next meeting, Melissa 2nd
 - Net vendors list will be used
 - d) Locker/Unit Roster Discussed and list will be created
 - e) Water/sewer unit cost per month discussed and determined reasonable
 - \$51/unit
- 7) New business
- a) By laws change to limit renters
 - 60% of owners will have to vote in favor
 - Liz made motion for Mike to present some ideas in the future on how to proceed, Melissa 2nd
- 8) Meeting officially adjourned at 7:54pm

Austin Lingelbach

X

Austin Lingelbach
Secretary



CARLISLE

C O N D O M I N I U M S

Annual Meeting

6:30 pm Wednesday, Aug. 20th, 2014 Rooftop Deck

In Attendance: Liz Ryan, Melissa Baldwin, Austin Lingelbach (Board Members), Mike Shaw (HOA Manager), Arlene East, Sam Danon, Robert Simon, Marty Mallory, Judy Chang, Jen Lawson, Tony Campbell, Kha & Wife, Julie, Russ, Ryan, Aaron & Girlfriend (renters)

- 1) Call to order
 - a) Liz called the meeting to order at 6:35pm
- 2) Approval of Meeting Minutes
 - a) Liz read, Melissa motioned to approve, Austin 2nd
- 3) Officer Reports
 - a) Treasurer's report
 - Melissa read, & Mike explained specifics
 - Great financial year
 - (a) Income for the year Over Budget
 - (b) Expenses for the year Under Budget
 - Based on reserve study, reserve is still low
 - (a) Reserve laws have recently changed, and some feel reserve estimate may be overly conservative
 - Liz Made Motion to Approve, Austin 2nd
- 4) Open Forum
 - a) Hole in siding of Julie's unit, & ants are getting in
 - JR Johnson will be called back out
 - b) Windows leaking in multiple units during extreme weather (snow storm)
 - JR Johnson came out & said there wasn't an issue
 - Suggestion made to take video if it occurs again
 - c) Tree rounds left over from tree removal
 - Liz will follow up with owner to have them removed
 - d) Suggestion made to number the storage units in relationship with the units they below to in order to reduce the confusion of which storage units belong to who
 - e) Garbage getting stacked against Judy's storage unit
- 5) Unfinished business
 - a) Loan report from Eric Gonzalez
 - Loan is maturing in February, so we will need to make a decision of how to proceed with the remaining 347K outstanding in debt (338K will be left at maturity)
 - Eric, Mike, & Liz met with Umpqua to discuss options
 - Umpqua acquired Sterling (previously held loan) and Umpqua is more conservative



CARLISLE

CONDOMINIUMS

- 3 options laid out with various combinations of upfront payments and subsequent loan terms, depending on amortization length
 - Several additional scenarios also discussed (such as internal loan)
 - (a) Overarching feeling is that all units need to align on a joint decision
 - Eric to provide details, so that all owners will be able to see specifically how much each scenario would require them to pay upfront and per month (would be part of HOA)
 - Board will be working to understand the wishes of all owners (perhaps through a survey). Goal is to have a decision made by next meeting.
- b) Storage Unit Tops
- B & H putting tops back on. They will be fiberglass and angled. Tentatively scheduled for September
- c) 2nd Floor Hallway
- Board will walk through all hallways in September
- d) Further Discussion of Changing By-Laws to create a limit to renting units
- By-laws already have a clause that renter cap is 2 years, but doesn't specify if there is a needed gap in between (clause also may not be valid)
 - Pros of capping renters: quality of life, some loans will not rent if the % is above certain thresholds (ie. 50%)
 - Board members are all 'live-in' which can cause undue burden
 - If we don't ask owners to disclose if they are renting, we would not have to disclose to a mortgage company
 - More discussion here needed
- e) Deck Staining Complete
- f) Completing New Carlisle Community By-laws
- Board is working on this
 - Technically any rules can be established as long as it is not against the established by-laws which are legally bound
 - Some ideas:
 - Assessing a \$500 fee for not notifying board of a move
 - Charging owners who rent a higher HOA
 - (a) Not legal
- 6) Meeting officially adjourned at 7:53pm

X

Austin Lingelbach
Secretary



In attendance:

Bryce Butcher of B&H, Liz Ryan HOA president, Austin Lingelbach HOA treasurer
Melissa Baldwin HOA secretary, Sam, Arlene, Jen, Tony

Called to order at 6:33pm by Liz.

We will approve the minutes from last meeting as well as today's minutes at next meeting in July 30th

Austin read treasurers report:

Income is close to budgeted

Expenses have decreased, roughly \$8,000 YTD

Liz calls Open Forum:

- Jen - Cigarette receptacle near front entry of building is over flowing, the board determined that Bryce would talk with Esmerelda (cleaning service) to address.
- Tony - informed he has patched and painted the gouges in the hallway wall on the 2nd floor, he found paint in the garage that matches the hallway paint.
- Sam - water pressure in his unit is low and has been so for the past 2-3 years.
 - Bryce discussed with an experienced plumber from Apollo who believes there may be some debris in the unit owner's shower head or perhaps that his aerators need repairing. If neither of these resolve the issue, further investigation should be done.
- Jen - Would like to report a great experience with B&H repair service. Unit 14 was experiencing an electrical issue, repair occurred the same day as call to report issue, cost \$75. Very happy with this service.

Unfinished business:

- Lock removed from broken storage unit latch. Latch repaired.
- Bike room lock - no instructions on how to reset the code or replace the batteries. Preference of the owners is to keep the key code lock opposed to a keyed lock. Bryce was not able to locate any records but will dig deeper.
 - Bryce was able to locate the receipt and work order for the lock; was purchased & installed by B&H maintenance. Intention is to take all work orders along with the receipt to Home Depot for a refund. If not refunded by Home Depot, will request from the manufacturer.
- Lights in garage; 3 are out and are expensive to replace. 2006 all lights were replaced per Eric. General consensus of the owners is that there is a lengthy warranty on these lights. Bryce will look into the warranty.

- Per reports that there was an electrical issue with the lights on the rooftop deck – unit 41 specifically, Bryce had an electrician out to address it. Unit 41 light is now working, but 43 is not. Ariene will check if there is a bulb in 43. The cost of these bulbs are high at \$60-80 locally, Bryce has informed that Pacific Lamp Wholesale could source these cheaper. An electrician will be called to meet Liz about the sporadic operation of the lights on the deck.
- Bay View has provided a quote to pressure wash the front of the building:
 - \$515/washing of belly band in front of the 3 decks
 - \$260/washing of main entryway incl. lower door, siding, retainer wall and sidewalk in front of door.
 - \$145/washing of the front of the awning including the top of the awning.
 - ◆ Unit owners request to include washing the sides of the driveway and the coping around the rooftop deck.
 - ◆ Board and unit owners have approved the cost of the work and will schedule to move forward.
- Landscapers will blow out the garage on a quarterly basis.
- Leave landscaping of slopes as is d/t potential of landslide if current plantings are removed.
- Bryce has ordered and paid for the FOBs for each unit owner; cost is roughly \$500 to Justice Communications who has programmed each FOB.
- Status of refinance loan:
 - List of questions from Umpqua needed to be addressed
 - Liz will sign financial review; preference to have it completed 30 days prior to 90 day extension.
 - Board would like to give 30 days notice to owners before the assessment is due. Additionally, 30 days notice that dues will be increasing is required to provide to unit owners.
 - Question raised whether more notice could be given. Bryce recommends waiting until final numbers are given from Umpqua before letter is sent to unit owners regarding assessment.
 - What is the plan for those owners that cannot pay upon due date?
 - ◆ Bryce suggested that each unit owner is considered on a case-by-case and individual basis. If full lump sum cannot be paid, a payment plan will be instated.
 - Austin asked what the proposed % rate will be on the new loan and whether there may be a better rate option available, as rates are currently low.
 - ◆ Bryce will inquire what the % rate is. Once rate is determined, Austin will make inquiries.
- Unit 26 is experiencing some mildew in their windowsill.
 - Follow up email from Liz mentions that Unit 36, directly above 26 is experiencing similar, asking Bryce if we should have it investigated. Bryce replied that he will have a building consultant look at it.

- Suggestion to charge Robert Simon \$50 for new tenant move-in fee.
- Elevator was out, but currently working. Servicemen were out to inspect, waiting on report.

Next meeting scheduled 7/30 at 6:30 with a community BBQ to follow. Will extend the invite to Pam of B&H.

Meeting adjourned at 7:40pm

Present: HOA President Liz Ryan, HOA Treasurer Austin Lingelbach, HOA Secretary Melissa Baldwin, B&H representatives Bryce Butcher and Pam, residents: Sam, Arlene, Jennifer Rask

6:30pm Meeting called to order by President Liz Ryan

Minutes approved from last meeting

Unfinished Business –

- Cleaning of the cigarette receptacles – Bryce had asked Esmerelda to clean with regular bi weekly cleaning. Sam stated that he has been cleaning the rooftop receptacle as it has not been attended to. Bryce will request that Esmerelda manage the cleaning of both.
- Warranty on garage lights purchased and installed in 2011 is 5 years. The lights that are out should be under warranty.
- The garage has not yet been blown out (cleaned) by Willamette Landscape. It has been roughly 3 months since the request was made and they are on a quarterly maintenance schedule. Question is when is it scheduled to occur?
- Key FOBs are in Liz Ryan's possession. Owners are allowed 1 each and can be picked up by contacting Liz to arrange.
- Roughly \$25-30K of the \$50K has been collected of the special assessment owed by the unit owners for the refinance of the loan. Bryce recommends taking \$20,000 from the HOA reserve to make up the difference owed to Umpqua by the 1st of August.
- Liz moves to utilize the \$20K from HOA reserves to pay Umpqua the full \$50K by 8/1/15, seconded by Austin. All present are in agreement.
- Unpaid assessments will be applied to unit owners account balance and a late fee of \$25 will be accrued by 8/15/15 and every month thereafter until paid in full. The Board members are in agreement and have approved this as it follows HOA dues late payment rules.
- Bryce will send out a reminder that assessment is due 8/1/15 and inform a late fee will accrue if not received by or before 8/15/15.
- Elevator inspection has been completed; new expiration 3/31/17. Liz will place new certificate in the elevator.
- Earthquake & Flood insurance
 - Allstate will not insure this property – Bryce will request a simple document that explains all that is entailed.
 - There are two types of earthquake insurance – Earth Movement (Landslide) and Earthquake
 - Flood insurance is not advised as the property is not considered to be in a flood zone.

New Business –

- #43 has a storage unit that has A/C that is pulling from the common building electricity. Suggestion to charge Robert Simon for the amount used. Robert

had previously agreed to a quarterly payment. Arlene will search for the minutes in which Mr. Simon had agreed to this arrangement. Bryce will review the account ledger to determine if any charges were assessed to Mr. Simon. Liz will call PGE to inquire whether energy usage by the A/C unit in storage unit can be ascertained.

- Reserve study – Bryce has provided the document for Board to review. Contact Bryce with questions, will discuss the reserve study in our next HOA Board meeting in Oct. Bryce will check with the elevator service contractor whether updating is necessary or if it can be pushed out.

Next HOA meeting scheduled for 10/22/15 at 6:30pm and will take place on the roof deck if weather allows or Liz Ryan's, unit #16, if not.

Agenda items for Oct meeting – Budget and Reserve Study
Meeting adjourned at 7:15pm.

CARLISLE

Board Meeting Minutes
Thursday, January 28th, 2016

- Issues to address immediately post Home Owners Annual Meeting
 - Drainage on 1st floor
 - Signage at bottom of driveway
 - Bead Board in unit 10
 - Call box code changes
 - Inquire with Esmeralda about including light bulb replacement to contract

- Board member role changes
 - Stuart Kelly - Chair/Board President
 - Austin Lingelbach - Treasurer
 - Melissa Baldwin - Secretary

- Future meetings set for the last Thursday of April, July and October with a new start time of 7pm. Liz will host meeting in April. The July and October meetings will be held on the rooftop deck weather permitting.

**Carlisle Condominium
Board Meeting Minutes
Thursday April 21st, 2016**

In attendance: Bryce, Stuart, Lisa, Terri, Randy, Austin & Melissa

Called to order by Stuart at 7:10pm

Treasurer's report: Special Assessment ~\$43,000 collected to date. Operating expenses are under budget by \$10,000.

Old Business –

- Smoke detectors were tested
- Talk of investigating a new service agreement for elevator. Bryce has requested contract from current provider.

Open Forum –

- Garage door repair scheduled. Suspected interference from 2 different receivers.
- HOA to charge for FOBs – need to determine how much total cost was to divide by units and multiply by number of FOBs requested per unit.
- Bryce is looking into quotes for new front door. Specialty retail entry door – Abby's Glass. Amax Securities is current vendor and would like to look into our warranty as have had numerous issues with door closure.
 - Request to acquire a copy of the front door key for all unit owners or residents for those that would like one.
- BBQ purchased by Stuart and receipt to be submitted to B&H for reimbursement
- Carpet replacement – 2nd floor still the priority. Tile as in the foyer of the building? Allaspect – Scott McCord and Stuart to inquire with Robert about funding. Obtain information from Eric about the sourcing of tile. Concern: sound proofing?

Unfinished Business –

- Door codes to be reset
 - Bryce to look into Justice Communications alternatives. Metro Access Control?
- Pillars in garage – replacement of bumpers as tires are not an ideal cosmetic solution. Stuart had provided Defender series building protectors at \$199.00 each as an option. Randy had suggested marine bumpers and was going to send a link to Bryce.

New Business –

- Water leak in garage. From 2nd floor? Condensation? Charter Construction to investigate.
- Old post and concrete
- HOA dues: When/if they will be reduced post refinance?
- Inquire with the city about signage posted on freeway entrance.
 - Melissa has sent a message to ODOT
- 7/28 next HOA meeting BBQ on the rooftop.

Meeting adjourned at 8pm.

CondoCerts

A Mutual of Omaha Bank Company
 Questionnaire for Carlisle Condominiums
 1910 Sw 18th Ave.
 Portland, OR 97201
 Last Update Date: 9/12/2016

Borrower Information	Requestor Information
Borrower: Brian Concannon	Name: Dana Thatch
Loan Number: 16015566	Address: 9200 Se Sunnybrook Blvd, #260 Clackamas, Or 97015
	Phone: 503-353-9975
	Fax: 503-850-4030

1. Are all of the units completed? Yes
 - a. The project is complete through phase:
 - b. Sales are now occurring in phase?
 - c. Total number of units for sale in phase? 24
 - d. Total number of bonafide sales in phase?
 - e. What is the total number of phases to be built when the project is complete?
2. Are all of the common areas and facilities completed? Yes
3. Is the project subject to additional annexation or phasing? No
4. Date that control of the Homeowners Association was/will be turned over to the unit owners: 1/1/1995
5. If a site condominium (detached units), are all units detached? No
6. Does the project have rental desk, short term occupancy (up to 7 days) or daily cleaning services? No
7. Is the project a Timeshare or Segmented Ownership project? No
8. Is the subject a Houseboat project? No
9. Can two or more units be owned by one owner as evidenced by one mortgage deed? No
10. Is the project a legal but non-conforming use of land? No
11. Is the project a conversion of an existing building? Yes
12. Total number of units in the project? 24
13. Total number of bonafide sales in the project (includes closed sales and open escrows): 24
14. Total number of units Rented in the project 10
15. Total number of units used as second homes in the project: 0
16. Total number of units still owned by the developer in the project (this total should not be included in rental units): 0
17. Are there individuals that own more than one unit in the project? Yes
 - a. If yes , list the individual and the number of units he/she owns below. SIMONROBERT2
18. Is the project subject to "inclusionary zoning" which may affect future sales? No
19. Total number of commercial units within the project: 0
20. Square footage of project devoted to commercial use: 0
21. Are there any special assessments pending or levied within the Homeowners Association? No
22. If special assessments exist please complete the following:
 - a. Total special assessment amount per unit.

Questionnaire for Carlisle Condominiums

- b. If scheduled payments are allowed, what are the payment amounts per unit?
- c. If scheduled payments are allowed, what is the frequency of these payments?
- d. NOTE: If any of the above three answers are variable check this box and explain the variations in the comments section. []
23. Is the Homeowners Association involved in any current or pending litigation? No
24. Total income budgeted for the current year: 141,575
25. Total reserves budgeted for the current year: 20,000.00
26. Total number of unit owners currently more than one month delinquent in Homeowners Association dues: 4
27. Regular association assessments are paid: Monthly
- a. All units are equally assessed at:
- b. Association unit assessment ranges from: ___ to ___: 334-555
28. Does the Homeowners Association or Management Company maintain separate accounts for the operating expense and reserve funds? Yes
29. Are the monthly account statements being sent directly to the Homeowners Association? Yes
30. Does the property management company have the authority to draw checks against or transfer from the reserve account? Yes
31. Are two or more members of the Board of Directors required to sign checks drafted against the reserve account? No
32. Insurance Company Name: ALLSTATE
33. Insurance Agent information:
- a. Name: John Heimstra
- b. Phone Number: 503-665-2000
- c. Fax Number: 503-557-8619
- d. Email address:
34. Is the amount of insurance equal to 100% of the current replacement cost? Contact Agent
35. Does the policy carry a condominium endorsement clause? Contact Agent
36. Liability limit per occurrence for bodily injury: 5,000
37. Fidelity Bond/Employee Dishonesty insurance coverage amount: Contact Agent
38. Earthquake Insurance amount: Contact Agent
39. Master Policy expiration date: 07/06/2016
40. Percentage of deductible: Contact Agent
41. Are the units owned as fee simple units? Yes
42. Are the units owned as leasehold estates? No
43. Is the Homeowners Association subject to a master/umbrella association? No
- a. If yes, are all common areas and facilities complete within the master community? No Answer
44. Lender Foreclosure
- a. If a lender obtains title to a unit through foreclosure are they liable for more than six months unpaid Homeowners Association dues? No
- b. If a lender obtains title to a unit through a deed in lieu of foreclosure, are they liable for more than nine months unpaid Homeowners Association dues? No Answer
45. If your project is still under construction, are all taxes and assessments that became liens prior to the first mortgage related to the unit only and not the entire project? No Answer
46. Are any common elements leased to or by the Homeowners Association? No
47. Number of phases at completion: 1
48. What is the maximum number of stories in any building for this association? 4
49. Are there elevators within the project? Yes
50. Does the Association fee cover water? Yes
51. Are at least 51 percent of the total units in the project are owner-occupied? Yes
52. Does any single entity own more than 10 percent of the total units in the project? No
53. How many units are currently financed by FHA mortgages? No answer
54. Is the project a Condominium Hotel? No
55. Is the project a manufactured housing project? No
56. What is the approximate balance of total delinquent HOA dues? 12,279.94
57. Do the project legal documents include any restrictions on sale which would limit the free transferability of title? (i.e. Age Restrictions, First Right of Refusal, other deed/income restrictions) No

Questionnaire for Carlisle Condominiums

- | | | |
|-----|--|---------------|
| 68. | Balance of Reserve Fund | |
| a. | Amount: | 102,627.61 |
| b. | As of (date): | 08/31/2016 |
| 69. | Are there a minimum number of days required for written notification to be given to the HOA or insurance trustee before any substantial changes or cancellation of the project coverage? | Contact Agent |

Data Section

Property Management Data

Association Manager:	Bluestone & Hockley
Contact:	Bryce Butcher
Address:	9320 Sw Barbur Blvd #300
Phone:	5032223800
Fax:	5032226459
Email:	bbutcher@bluestonehockley.com

Additional Comments:

PLEASE ASK INSURANCE AGENT for additional information.

PLEASE PROVIDE BLUESTONE & HOCKLEY WITH A COPY OF THE GRANT DEED TO ENSURE ACCURATE TRANSFER OF OWNERSHIP. SEND VIA FAX AT 503-222-6459.

There is a \$50.00 non-refundable fee due for each move-in/move-out in connection with the unit to defray the costs and expenses incurred by the Association in connection with such move.

DO NOT COMBINE PAYMENTS FOR CLOSING/TRANSFER FEES WITH HOA ASSESSMENT DUES! WRITE SEPARATE CHECKS. NO BILLING STATEMENTS ARE SENT TO OWNERS.

IF THERE IS A "MINUS SIGN" IN FRONT OF THE CURRENT BALANCE, THIS INDICATES THERE IS A CREDIT ON THE ACCOUNT. YOU MAY EITHER APPLY THIS CREDIT TO THE PAYMENT OF FUTURE DUES (ON BEHALF OF THE NEW OWNER) OR THE CREDIT CAN BE REFUNDED TO THE SELLER (PLEASE PROVIDE A FORWARDING ADDRESS FOR THE SELLER.)

PLEASE HAVE NEW OWNER COMPLETE ATTACHED HOMEOWNER INFORMATION SHEET AND FAX TO BLUESTONE & HOCKLEY AT 503-222-6459 OR EMAIL BBUTCHER@BLUESTONEHOCKLEY.COM.

CALL BLUESTONE & HOCKLEY FOR CLARIFICATION OF THESE MATTERS: 503-222-3800. THANK YOU.