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**CONDOMINIUM DECLARATION
FOR
VINTAGE ROSE CONDOMINIUMS**

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**CONDOMINIUM DECLARATION
FOR
VINTAGE ROSE CONDOMINIUMS**

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

Recitals, Intent and Purpose

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

NOW, THEREFORE,

Declaration

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

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

1.1 *Association* shall mean and refer to the Vintage Rose Condominium Association which shall be an Oregon not for profit corporation.

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

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

1.4 *Unit* means the airspace encompassed by the unfinished interior surface of the perimeter walls, floors and ceilings which is owned in fee simple by each

owner of a Condominium unit and which is more specifically described in Section 3.2 of this Declaration.

1.5 *Unit Owner or Owner* means person(s) who hold(s) fee simple title to a Unit.

1.6 *Common Element* means both general common elements and limited common elements as defined in Sections 4 and 5 herein.

1.7 *Plat* means the plat of the Vintage Rose Condominiums recorded in the Multnomah County plat records.

2. Real Property Description. The Real Property that is submitted hereunder to the Oregon Condominium Act is located in Portland, Multnomah County, Oregon, and is more particularly described on **Exhibit A**. Each Owner shall hold fee simple title to the Unit and an undivided interest in the Common Elements.

3. Name and Unit Description.

3.1 *Name.* The name by which the Real Property hereunder shall be known is Vintage Rose Condominiums.

3.2 *Boundaries of Units.*

3.2.1 The Units shall be bounded by the interior surfaces of their perimeter walls, floors, ceiling, windows and window frames, doors and door frames, and trim and shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, electrical outlets and outlet covers, and any other materials constituting any part of its finished interior surfaces.

3.2.2 In interpreting deeds, mortgages, deeds of trust, and other instruments, for any purpose whatsoever or in connection with any matter, the existing physical boundaries of the Unit or of a Unit reconstructed in substantial accordance with the original plans hereof shall be conclusively presumed to be the boundaries regardless of settling, rising, or lateral movement of the building and regardless of variances between boundaries as shown on the Plat, which is being recorded simultaneously with this Declaration, and those of the actual building or buildings.

3.3 *Building Description and Unit Designation.* The Real Property has two (2) buildings and a total of eight (8) Units. Building 1 consists of six (6) Units and Building 2 consists of two (2) Units.

Building 1 has three floors with two Units on each floor and has a three-story stairwell located in the center of its northern side and a two-story stairwell located in the center of its southern side. Units 5 and 6 are located on the first floor. Unit 5 is 953 square feet. Unit 6 is 246 square feet. The first floor also has a furnace/hot water hook up area and four limited common element storage spaces. The second floor of Building 1 contains Units 3 and 4. Unit 3 is 700 square feet. Unit 4 is 698 square feet. The third floor of Building 1 contains Units 1 and 2. Unit 1 is 700 square feet. Unit 2 is 698 square feet. Building 1 consists of post and beam wood, frame construction on concrete foundation with concrete stucco siding and composition shingle roof.

Building 2 has two floors with one Unit located on each floor. Unit 7 is located on the first floor and is 626 square feet. Unit 8 is on the second floor and is 659 square feet with a deck on exterior of the southern side of the Unit. There are exterior stairs abutting the west end of the building that give access to Unit 8. There is a storage area located underneath the stairs. Building 2 consists of post and beam wood, frame construction on concrete foundation with Hardiplank siding and a torch down roof.

The vertical and horizontal boundaries, number designation, location, and dimension of each Unit are shown on the Plat.

4. General Common Elements.

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

- 4.1.1 The land;
- 4.1.2 All landscaped and concrete areas (except the three LCE parking spaces), the fence bordering the property, the retaining wall on the west side of the property, and all sidewalks;
- 4.1.3 The exterior of the buildings including, but not limited to, the siding, the roofs, exterior window and door frames, and gutters;
- 4.1.4 Bearing and shear walls, perimeter walls, beams, columns and girders of the buildings to the interior surfaces thereof;
- 4.1.5 The foundations of the buildings;
- 4.1.6 The sewer pipes, stormwater pipes, utility pipes, meters, vaults, conduits, and stormwater drainage systems;
- 4.1.7 The attics of the buildings;
- 4.1.8 In Building 1: the storage/hot water/furnace area located on the first floor; the storage shed attached to the exterior of the northern side of the building; and the two stairwells;
- 4.1.9 In Building 2: the stairs on the western side of the building and the storage and furnace/hot water hook up area located underneath the stairs; and
- 4.1.10 All other elements of the buildings and property that are necessary or convenient to its existence, maintenance, and safety or that are normally in common use.

4.2 *Maintenance, Repair, and Replacement of General Common Elements; Liability for Common Expense.* Except as otherwise specifically provided in this Declaration or the Bylaws, the cost of maintenance, repair, and replacement of the general common elements shall be a common expense, and the performance of such work shall be the responsibility of the Association, except that any damage caused by the negligence or intentional act of an Owner or the Owner's invitee, guest, or servant shall be repaired by the Association at such Owner's sole cost and expense. Common expenses shall be apportioned among the Owners in an amount of their respective ownership interest in the Common Elements as set forth in Section 6 of this Declaration and assessed as set forth in Section 10.6 of this Declaration.

5. Limited Common Elements.

5.1 *Definition.* The following are limited common elements, the use of which is restricted to the Unit the limited common element adjoins or is assigned:

5.1.1 The deck adjoining Unit 8; and

5.1.2 LCE parking spaces. LCE parking space 1 is assigned to Unit 8, LCE parking space 2 is assigned to Unit 2, and LCE parking space 3 is assigned to Unit 4.

5.1.3 LCE storage spaces. Storage space 1 (S1) is assigned to Unit 1, storage space 2 (S2) is assigned to Unit 2, storage space 3 (S3) is assigned to Unit 3, and storage space 4 (S4) is assigned to Unit 4.

5.2 *Maintenance, Repair, and Replacement of Common Elements; Liability for Expense.* Except as otherwise specifically provided in this Declaration or the Bylaws, the cost of maintenance, repair, and replacement of the limited common elements shall be an expense borne exclusively by the Unit Owner of the Unit to which the limited common element adjoins or is assigned. The performance of such work shall be the responsibility of the Association. The Association will give the Unit Owner written notice of such work 20 days prior to commencing the work. The Association may assess the Unit Owner for the work as set forth in Section 10.7 and in Article 6 of the Bylaws and pursue recovery of any amounts owed by a unit owner as allowed under this Declaration, the Bylaws or the Oregon Condominium Act.

6. Allocation of Ownership Interest in Common Elements. The allocation to each Unit of an undivided interest in the Common Elements was determined by assigning each Unit a percentage ownership interest in the Common Elements determined by dividing the square feet of each Unit by the total number of square feet of all the Units. The numerical designation, and each Unit's ownership interest in the Common Elements are as follows:

<u>Unit No.</u>	<u>Total Area</u>	<u>Unit's Ownership Interest in Common Elements</u>
1	700 sq. ft.	13.2%
2	698 sq. ft.	13.1%
3	700 sq. ft.	13.2%
4	698 sq. ft.	13.1%
5	953 sq. ft.	18%
6	246 sq. ft.	5%
7	626 sq. ft.	12%
8	659 sq. ft.	12.4%

NOTICE

THE SQUARE FOOTAGE AREAS STATED IN THIS DECLARATION ARE BASED UPON THE BOUNDARIES OF THE UNITS AS DESCRIBED IN THIS DECLARATION AND MAY VARY FROM THE AREA OF THE UNITS CALCULATED FOR OTHER PURPOSES.

7. Maintenance of Unit. Each Unit Owner shall be responsible to maintain and repair his/her Unit at the Unit Owner's expense. Notwithstanding, if an Owner does not perform maintenance or repair to a Unit after receiving 30 days written notice from the Association to do so, the Association may, at its sole discretion, undertake said maintenance or repair of the Unit at such Owner's sole cost and expense. The Association may seek reimbursement of such expenses from the Unit Owner as it would any unpaid obligation owed by a Unit Owner to the Association pursuant to Sections 10.7 and 17.4 of this Declaration and in Articles 6 and 15 of the Bylaws.

8. Use of Property.

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

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

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

9. Contracts and Leases. All contracts or leases that are entered into before the turnover meeting (including any management contract) shall be terminable without penalty by the Association or the Board of Directors on not less than 30 days' written notice to the other party by the Association given not later than 60 days after the turnover meeting. Provided, however, that any such contracting or leasing party may

request the Association to affirm the continuation of any such agreement for the balance of its stated term. Affirmation by the Association after transfer of control shall extinguish all termination rights of the Association under this Section 9.

10. Bylaws; Association; Management.

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

10.2 *Association; Membership.* The name of the Association shall be Vintage Rose Condominium Association. Each Owner of a Unit in the Condominium shall be a member of the Association, and membership therein shall be limited to Unit Owners only. The Association, which shall be organized on the recording of the Declaration and the Bylaws, shall serve as a means through which the Unit Owners may take action with regard to the administration, management, and operation of the Condominium. The Association shall be an Oregon corporation.

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

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

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

10.6 *Covenant to Pay Assessments; Liability for Common Expense; Distribution of Profits.* Each Unit Owner hereby covenants to pay to the Association annual assessments for common expenses as more fully provided in Section 4.2 and the Bylaws. No Owner may avoid liability for assessments by abandonment of his or her Unit or nonuse of the Common Elements. Except as otherwise provided in this Declaration or the Bylaws, each Unit and the Owner thereof shall be liable for the common expense and funding of the replacement reserves, both of which shall be apportioned among the Units based on each Unit's ownership interest in the Common Elements as set forth in Section 6 of this Declaration. No offset against any assessment

shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties. Assessments shall be levied against all Units not later than the first day of the month next following the date when the first Unit is conveyed to a person other than Declarant.

Any profits derived from the Common Elements shall be distributed among the Owners in an amount equal to their respective ownership interest in the Common Elements as set forth in Section 6 of this Declaration and in accordance with the Bylaws.

10.7 Liability for Association's Costs & Expenses Incurred to Repair or Maintain a Unit or Repair, Maintain or Replace a Limited Common Element. Each Unit Owner hereby covenants and agrees to pay to the Association the expenses it incurs undertaking or performing maintenance, repair or replacement of a Limited Common Element under Section 5.2 of this Declaration or maintenance and repair to a Unit under Section 7 of this Declaration. The Association may recover such expenses as it would any assessment or other obligation owed by an Owner to the Association as set forth in this Declaration or the Bylaws. No Owner may avoid liability for repayment of such expenses by abandonment or the nonuse of the Unit or Limited Common Element. No offset against any claim for expenses by the Association under this section shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties.

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

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

12. Mortgagees. In the event of a conflict between this Section 12 and other provisions of this Declaration, the provisions of this Section 12 shall prevail.

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

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

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

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

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

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

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

12.4 *Professional Management.* On the written request of holders of first Mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium, the Board of Directors shall employ a professional manager to manage the affairs of the Association. Without the prior written approval of the holders of first Mortgages that represent at least 51% of the votes of mortgaged Units in the Condominium, the Association may not terminate professional management and assume self-management of the Condominium. Additionally, if professional management has previously been required by any Mortgage holder, any decision to establish self-management shall require prior consent of the Owners of Units to which 67% of the votes in the Association are allocated. Any agreement for professional management shall provide that the management contract may be terminated for cause on 30 days' written notice.

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

12.6 *Consent of Mortgagees Required to Terminate Project.* Except with respect to termination of the Condominium as a result of destruction, damage, or condemnation, any termination of the Condominium shall require the written approval of holders of first Mortgages that represent at least 67% of the votes of mortgaged Units in the Condominium. Provided, however, such consent will be deemed given if a Mortgagee does not object in writing within 30 days after notice of the proposed

termination. Additionally, any such terminations shall be carried out by the Owners pursuant to provisions of the Declaration, the Association's Articles of Incorporation, the Bylaws, and the Oregon Condominium Act and shall be carried out only after vote of the Owners, as provided in such provisions.

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

- 12.7.1 voting rights;
- 12.7.2 increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of Common Elements;
- 12.7.3 reductions in reserves for maintenance, repair, and replacement of Common Elements;
- 12.7.4 responsibility for maintenance and repairs;
- 12.7.5 reallocation of interests in the general or limited common elements or rights to their use;
- 12.7.6 redefinition of any Unit boundaries;
- 12.7.7 convertibility of Units into Common Elements or vice versa;
- 12.7.8 expansion or contraction of the Condominium project, or the addition, annexation, or withdrawal of property to or from the Condominium project;
- 12.7.9 hazard or fidelity insurance requirements;
- 12.7.10 imposition of any restrictions on the leasing of Units;
- 12.7.11 imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- 12.7.12 restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the documents; or
- 12.7.13 any provisions that expressly benefit Mortgagee, insurers, or guarantors.

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

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

12.9 *Proxy Held by Mortgagee in Certain Cases.* If a Mortgagee reasonably believes that the Association has failed to maintain the Common Elements so as to prevent excessive wear and tear, such Mortgagee may attend a meeting of the

Association and may cast the vote of the Mortgagor of the Unit on which such Mortgagee holds a Mortgage if the proposal under consideration concerns painting or otherwise maintaining the Common Elements, including imposing special assessments necessary to pay for such maintenance. Provided, however, such right shall arise only in the event the Mortgagee reasonably believes the Association has failed to maintain the Common Elements in sufficient manner to prevent excessive wear and tear.

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

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

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

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

13.1 *Declarant's Approval Required.* Declarant's prior written consent shall be required for any amendment to this Declaration until the Unit Owners hold a meeting and elect not fewer than the number of directors sufficient to constitute a quorum of the board of directors of the Association or a receiver is appointed by a court of law to manage the affairs of the Association. Provided, however, that even thereafter, no amendment may limit or reduce any of Declarant's special rights, whether reserved herein or otherwise provided by law. No amendment may change the size, location, percentage of interest in the Common Elements, method of determining liability for common expenses, right to common profits, or voting power of any Unit(s) unless such amendment has been approved by the Owners and the Mortgagees of the affected Unit(s).

13.2 *Recordation/County Assessor and Commissioner Approval Required.* An amendment to the Declaration shall be effective on recordation in the Deed Records of Multnomah County, Oregon, certified to by the chairperson and secretary of the Association and approved by the County Assessor and the Real Estate Commissioner. Approval by the Commissioner shall not be required for an amendment

to a declaration transferring the right of use of a limited common element pursuant to ORS 100.515(5).

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

14.1 *General.* Except as limited or prohibited by the Bylaws and the Oregon Condominium Act, the Association shall have the authority to execute, acknowledge, deliver, and record easements, rights-of-way, licenses, and other similar interests affecting the general common elements and to consent to vacation of roadways within or adjacent to the Condominium as provided by ORS 100.405(5) & (8). An instrument granting any such interest or vacating any such roadway shall be executed by the chairperson and secretary of the Association, shall be acknowledged in the manner provided for acknowledgment of such instruments by such officers, and shall state that such grant was approved by the minimum required vote of the Owners or Board of Directors required by ORS 100.405.

14.2 *Utility Easements; Dedications.* Anything in this Declaration to the contrary notwithstanding, Declarant shall have the right to execute, deliver, and record on behalf of the Association and the Unit Owners such documents as may be required to grant easements, rights-of-way, and licenses over the Common Elements for the installation, maintenance and repair of public utilities serving the Condominium or adjacent property. Declarant shall also have the right to execute, deliver, and record on behalf of the Association and the Unit Owners such deeds and other documents as may be required to convey, dedicate, or grant such easements, rights-of-way, or licenses over Common Elements as may be required by any government or governmental agency in order to complete development of the Condominium. To effect the intent of this Section 14.2, each Unit Owner, by acceptance of a deed or contract to a Unit, whether or not it shall be expressed in such deed or contract, for the Owner and the Owner's successors in interest, irrevocably appoints John Isenberg, or the Owner's nominee, as his or her lawful attorney-in-fact for the purpose of executing any and all documents required or permitted to be executed hereunder. The Power of Attorney and the rights under this Section shall expire at such time as Declarant no longer owns a Unit or three years from the date this Declaration is recorded, whichever is earlier.

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

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

15.1 *Sales Office and Model.* Declarant shall have the right to maintain sales and/or rental offices and sales and/or rental models in one or more of the Units that Declarant owns. Declarant, its agents and prospective purchasers, shall have the right to park automobiles in the parking area on the general common elements and to

use and occupy the sales and/or rental office and models during reasonable hours any day of the week.

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

15.3 *No Capital Assessments Without Consent.* Neither the Association nor the Board of Directors shall make any assessments for new construction, acquisition, capital improvements, or otherwise without the prior written consent of Declarant, as long as Declarant owns the greater of two Units or 5% of the total number of Units in the Condominium. Nothing contained in this Section 15.3 shall be construed to limit Declarant's obligation to pay assessments for common expenses on Units owned by Declarant pursuant to requirements of the Oregon Condominium Act.

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

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

15.6 *Declarant's Other Special Rights.* The rights reserved to Declarant in this Section 15 shall in no way limit any other special rights that Declarant, as a declarant, may have, whether pursuant to the Oregon Condominium Act or otherwise. On the expiration of any or all such special rights, Declarant shall have the same rights as any other Owner in the Condominium with respect to such ownership.

15.7 *Assignment of Declarant's Rights.* Declarant shall have the right to assign any and all of its rights, including, without limitation, Declarant's special rights, as set forth in this Section 15, or to share such rights with one or more other persons exclusively, simultaneously, or consecutively.

15.8 *Expiration of Declarant's Special Rights.* Unless otherwise provided, Declarant's special rights, as reserved in this Section 15, shall expire on the conveyance by Declarant of the last Unit owned by the Declarant or three years after the first conveyance of a Unit in the Condominium, whichever is earlier.

16. Voting. The Owner or co-Owners of each Unit shall be entitled to one vote per Unit. *Majority* or *Majority of Unit Owners* shall mean the Owners of more than 50% of the voting rights allocated to the Units by the Declaration. The calling and conducting of meetings of the Association and the exercise of voting rights shall be controlled by Articles 2 and 3 of the Bylaws.

17. General Provisions.

17.1 *Interpretation.* The rights and obligations of all members of the Association and any person dealing with the Association or any of its members with respect to matters pertaining to the Declaration, Articles of Incorporation of the

Association, or the Bylaws shall be interpreted in accordance with and governed by the laws of the State of Oregon.

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

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

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

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

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

17.7 *Conflicting Provisions.* In the event of a conflict between or among the provisions of the Declaration, the Articles of Incorporation of the Association, the Bylaws, and any administrative rules and regulations, the provisions of the Declaration shall be paramount to those of the Articles, the Bylaws, and the rules and regulations, and the Articles shall be paramount to the Bylaws and the rules and regulations and those of the Bylaws shall be paramount to the rules and regulations. For purposes of this Section 17.7, the term *Declaration* shall include all amendments to this Declaration, and the term *Bylaws* shall include all amendments to the Bylaws.

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

The undersigned Declarant of the subject property has caused this Declaration to be executed this 18th day of September, 2008.

VR DEVELOPMENT, LLC

John G. Isenberg
By: John G. Isenberg, Manager

STATE OF Oregon)
)ss.
County of Multnomah)

This instrument was acknowledged before me on September 18, 2008 by John G. Isenberg as Manager of VR Development, LLC.



Sarah Bobbitt
Notary Public for Oregon
My Commission Expires: 9-19-11

January The foregoing Declaration is approved pursuant to ORS 100.110 this 5th day 2/31 LS
LS. of December, 2008, and, in accordance with ORS 100.110(7), this approval
LS. shall automatically expire if this Declaration is not recorded within two years from this date.

Gene Bentley
Real Estate Commissioner
By: Laurel Hill

The foregoing Declaration is approved pursuant to ORS 100.110 this _____ day of _____, 2008.

COUNTY ASSESSOR

By: _____

~~NOTE: This declaration is for an unstaged project and is provided for your reference. All other forms from the original chapter and previous supplement are obsolete and should not be used without substantial revision to conform them to the changes made by the 1999, 2001, 2003 and 2007 legislatures.~~

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Deleted by Laurel Hillman
Oregon Real Estate Agency

EXHIBIT A

LEGAL DESCRIPTION

A TRACT OF LAND BEING ALL OF LOT 9 OF BLOCK 289, "COUCH'S ADDITION TO THE CITY OF PORTLAND", MULTNOMAH COUNTY PLAT RECORDS, LOCATED IN THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, IN THE CITY OF PORTLAND, COUNTY OF MULTNOMAH, STATE OF OREGON, THE BOUNDARY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INITIAL POINT, BEING A 1" BRASS DISK MARKED "FRANK PLS 53854" FOUND AT THE SOUTHWEST CORNER OF SAID LOT 9 AND ON THE NORTH RIGHT-OF-WAY LINE OF NORTHWEST OVERTON STREET;

THENCE NORTH 00°01'02" EAST, ALONG THE WEST LINE OF SAID LOT 9, A DISTANCE OF 100.08 FEET TO A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP MARKED "ZTEC ENGRS. LS 1944" FOUND AT THE NORTHWEST CORNER THEREOF;

THENCE SOUTH 89°59'38" EAST, ALONG THE NORTH LINE OF SAID LOT 9, A DISTANCE OF 60.01 FEET TO THE NORTHEAST CORNER THEREOF;

THENCE SOUTH 00°01'22" WEST, ALONG THE EAST LINE OF SAID LOT 9, A DISTANCE OF 100.06 FEET TO A 1" BRASS DISK MARKED "FRANK PLS 53854" FOUND AT THE SOUTHEAST CORNER THEREOF AND ON THE NORTH RIGHT-OF-WAY LINE OF NW OVERTON STREET;

THENCE SOUTH 89°59'44" WEST, ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 60.00 FEET TO THE INITIAL POINT;

CONTAINING 6,005 SQUARE FEET, MORE OR LESS.

