

After Recording Return to:

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**SECOND AMENDMENT TO DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF
DENNEY ROAD ROWHOMES**

This Amendment amends that certain Declaration of Covenants, Conditions, and Restrictions of Denny Road Rowhomes recorded in Washington County, Oregon, records on October 27, 1997, as Document No. 97100415.1 (the "Declaration").

The Denney Road Rowhomes Owners' Association, Inc. (the "Association") consists of the owners of all lots at the Denney Road Rowhomes, located in the City of Beaverton, Washington County, Oregon, as set forth in the Declaration. The Declaration assigns responsibility for maintenance, repair, and replacement of the exterior of all Residential Units at the Denney Road Rowhomes to the Association. The Association and the Owners of the Residential Units have discovered certain construction defects in the exterior of the Residential Units, and the Owners and the Association wish to empower the Association to borrow money in order to repair the construction defects and resultant damages to the Rowhomes.

NOW, THEREFORE, Article VII of the Declaration as amended is hereby amended to add the following paragraph:

In the event the Association has insufficient capital available to meet the above-mentioned repair and maintenance obligations, the Association shall have the authority to apply for and receive a loan for the purpose of paying for said maintenance and repairs, provided that such loan shall have the assent of fifty-one percent (51%) of the votes of each class of members voting in person or by proxy, at meeting duly called for this purpose. With such assent, the Association shall further have the authority to levy special assessments as necessary for the repayment of such loan.

BY THE SIGNATURES BELOW, each of the owners below consent to the above-described amendment.

OWNER	ADDRESS	SIGNATURE
Deanna Barnes	10311 SW Denney Road	_____
Lynn Pierce	10313 SW Denney Road	_____
Gheorghe and Elena Baleash	10315 SW Denney Road	_____
Shelley A. Sump	10317 SW Denney Road	_____
Val L. Tennent, Jr.	10319 SW Denney Road	_____
Thomas L. Dillon	10321 SW Denney Road	_____
Susan C. Chambers	10323 SW Denney Road	_____
Lauren K. Zell	10325 SW Denney Road	_____
Alicia F. Wheelock	10327 SW Denney Road	_____
Sarah J. Holme	10329 SW Denney Road	_____
Gina M. Kor	10331 SW Denney Road	_____
Jennifer J. Deale	10333 SW Denney Road	_____
Kathryn M. Hill	10335 SW Denney Road	_____
Melanie A. Brown	10337 SW Denney Road	_____

FURTHER, by her signature below, the president of the Association hereby certifies that at least 50% of the mortgage holders have consented to the above amendment.

**DENNEY ROAD ROWHOMES
OWNERS' ASSOCIATION, INC.**

By: _____
President Susan Chambers

ARTICLES OF INCORPORATION

OF

DENNEY ROAD ROWHOMES OWNERS' ASSOCIATION

In compliance with the requirements of ORS 65.047 for the formation of nonprofit corporations, the undersigned, who is a limited liability company of the State of Oregon and who is acting as incorporator under the Oregon nonprofit Corporation Law, does hereby adopt the following Articles of Incorporation:

ARTICLE I

The name of the Limited Liability Company is the Denney Road Rowhomes Owners' Association hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at such address as may be designated by the Board of Directors from time to time. The principle office address where the Division may mail notices is: c/o G.F. Parker, P.O. Box 230421, Tigard, OR 97281-0421

ARTICLE III

G.F. Parker, whose address is 11825 SW Greenburg Rd, Suite B1, Tigard, OR 97223, is hereby appointed the initial registered agent of this Association, and said address is the initial registered office of the corporation.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association is being formed for mutual benefit and does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residential lots and improvements thereon within that certain tract of property described as:

Denney Road Rowhomes
City of Beaverton
County of Washington, State of Oregon

and to promote the health, safety and welfare of the residents within the above described property which has been brought within the jurisdiction of this Association for this purpose, and to:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Records of Washington County and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of at least seventy-five percent (75%) of each class of members, mortgage, pledge, deed in trust, or hypothecate any and/or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of Association property, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by at least seventy-five percent (75%) of each class of members, agreeing to such dedication, sale or transfer;

(f) have and exercise any and all powers, rights and privileges which a corporation organized under the nonprofit Corporation Law of the State of Oregon by law may now or hereafter have or exercise.

ARTICLE V
MEMBERSHIP

Every person or entity who is the legal owner or contract purchaser of a unit in the above-described property shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of the unit.

ARTICLE VI
VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A Members shall be all owners, with the exception of the Declarant; Class A members shall be entitled to one vote for each unit owned. When more than one (1) person holds an interest in a unit, all such persons shall be members. The vote for such unit shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one (1) unit.

Class B. The Class B member shall be the Declarant who shall be entitled to three (3) votes for each unit owned. The Class B membership shall cease and be converted to Class A membership automatically on the happening of either of the following events, whichever occurs earlier:

- (a) when seventy-five percent (75%) of the units have been conveyed to persons other than Declarant; or
- (b) three (3) years after the first unit is conveyed to a person other than Declarant.

ARTICLE VII
BOARD OF DIRECTORS

Until the first annual meeting, the affairs of this Association shall be managed by a Board of Directors consisting of one (1) director who is named below and who has consented to so serve. As of the first annual meeting and thereafter, the affairs of this Association shall be managed by a Board of three Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who have consented to act in the

capacity of directors until the selection of their successors are:

NAME

ADDRESS

G.F. Parker

11825 SW Greenburg Rd., Suite B1
Tigard, OR 97223

At the first annual meeting the members shall elect one director for a term of one (1) year and two (2) directors for a term of two (2) years; and at each annual meeting thereafter the members shall elect directors for a term of two (2) years.

ARTICLE VIII
DISSOLUTION

The Association may be dissolved by the members as provided in the Declaration. Upon dissolution of the Association, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purpose.

ARTICLE IX
DURATION

The corporation shall exist perpetually.

ARTICLE X
AMENDMENTS

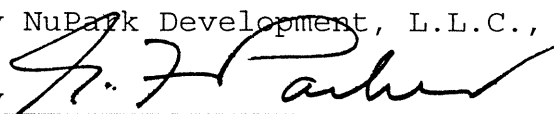
Amendments of theses Article shall require the assent of seventy-five percent (75%) of each class of members.

IN WITNESS WHEREOF, for the purpose of forming this nonprofit corporation under the laws of the State of Oregon, the undersigned limited liability company, constituting the incorporator of this Association, declares under penalties of perjury that it has examined the foregoing and to the best of its knowledge and belief,

it is true, correct and complete, and its member has executed these Articles of Incorporation this 8 day of JAN., 1996 by authority of its members.

Denney Road Partners, L.L.C.
an Oregon Limited Liability Company
By NuPark Development, L.L.C., Member

By

A handwritten signature in black ink, appearing to read "G.F. Parker", written over a horizontal line.

G.F. Parker
Member of NuPark Development, L.L.C.

Address: 11825 SW Greenburg Rd, B1
Tigard, OR 97223