

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Acknowledgement of Receipt

To the Manager and Board of the Association of Unit Owners, of Flanders Lofts:

I acknowledge that I have received a copy of the Association's Covenants, Conditions, and Restrictions, which includes the Rules & Regulations of the condominium as adopted by the Association over time. I understand that as a Unit Owner, I am ultimately responsible for the violations of any agent, vendor, renter, tenant, guest, or family member who violates any portion of the Declaration, Bylaws, or Rules & Regulations.

If I rent my unit *[Yes/No]* I further acknowledge that I will provide to the tenant or leaseholder a copy of the Association Governing Documents and Rules & Regulations, in addition to emergency contact information for the Manager and the Association.

Received by: (unit owner) _____

(signature) _____

Flanders Unit Number: _____

Date Received: _____

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Flanders Lofts

Unit Owner Reference

Covenants, Conditions, and Restrictions

Including:

- Association Declaration and Bylaws
- Rules & Regulations
- Articles of Incorporation and Easement Agreements

Collected and updated: February 2025

DEFINITIONS

When used in the Governing Documents and the Rules & Regulations of the Association, the following terms have the following meanings:

"Assessment" means any charge imposed or levied by the association of unit owners on or against a unit owner or unit pursuant to provisions of the declaration or the bylaws of the condominium or provisions of the Oregon Condominium Act.

"Association" means the association of unit owners established pursuant to Article 14 of the Declaration, namely the "*Association of Unit Owners of Flanders Lofts, a Condominium.*"

"Board" means the Board of Directors of the Association.

"Bylaws" means the Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, as amended.

"Commercial Units" means Units 101 and 102, as shown on the Plat.

"Common Element" means both Limited Common Elements and General Common Elements.

"Condominium" means all of that property submitted to the condominium form of ownership by the Declaration.

"Declaration" means the Declaration Submitting Flanders Lofts, a Condominium to Condominium Ownership, as amended.

"General Common Element" means all parts of the Condominium which are not part of the Limited Common Elements or Units as provided in Article 5 of the Declaration.

"Limited Common Elements" means parking spaces within the garage, and the balconies and decks adjoining the Units pursuant to Article 6 of the Declaration.

"Manager" means the current property manager under contract with the Association to provide general community management services, namely "*Bluestone Community Association Management.*"

"Plat" means the plat of Flanders Lofts, a Condominium, as recorded with the Declaration.

"Residential Units" means units 201 through 409, as shown on the Plat.

"Units" means both Residential Units and Commercial Units.

Incorporation by Reference. Except as otherwise provided, each of the terms defined in [ORS 100.005, a part of the Oregon Condominium Act](#), the *Declaration*, and the *Association Bylaws* shall have the meanings set forth in each such section.

Rules & Regulations

Association Rules and Regulations – from Article 7.5(l) of the Bylaws

The board of directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the units and common elements as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the condominium property. 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.

Board Resolutions of adopted policies for the Rules & Regulations of the Association:

- **Enforcement**, adopted October 2019
- **Schedule of Fines**, adopted October 2019, revised June 2024
- **Electronic Notices**, adopted June 2020
- **Collection of Unpaid Assessments**, adopted October 2017, revised August 2022
- **Use of Condominium Property**, adopted 1999, revised May 2022
- **Additions, Alterations, and Improvements**, adopted 1999, revised May 2022
- **Tenant Occupancy**, adopted May 2022
- **Smoking**, adopted October 2019
- **Insurance**, adopted January 2010
- **Move-In Move-Out**, adopted July 2020, revised May 2022
- **Safety and Building Security**, adopted June 2024
- **Use of Parking Garage and Trash & Recycling Area**, adopted June 2024

**ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS,
A CONDOMINIUM
Resolution of the Board of Directors**

ENFORCEMENT RESOLUTION

RECITALS

- A. “Association” is the “Association of Unit Owners of Flanders Lofts, a Condominium,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. *Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership*, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (“**Declaration**”);
 2. *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded as Exhibit C to the Declaration with the same document number;
 3. *First Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded on March 16, 2005 as document number 2005-044825;
 4. *Second Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded on February 11, 2013 as document number 2013-020001 (items B2 – B4 shall be referred to herein as the “**Bylaws**”).
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration and Article 3.7 of the Bylaws vest the Board of Directors (“**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.405(4)(k) and Article 7.6(c) of the Bylaws provide that the Board may levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association after notice and an opportunity to be heard, if the fine is based on a *Schedule of Fines* adopted by a resolution of the Board.
- G. ORS 100.450(4)(c) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed are enforceable as assessments.

- H. For the benefit and protection of the Association and of the individual owners, the Board deems it necessary and desirable to establish a formal procedure for the handling of complaints and the enforcement of the Declaration, Bylaws, and Rules and Regulations to ensure that owners receive notice and an opportunity to be heard in cases involving alleged violations of the Declaration, Bylaws, or Rules and Regulations.
- I. The Board deems it necessary and desirable to adopt a *Schedule of Fines*, attached as Exhibit A to this Resolution, to be used by the Board in imposing sanctions for violations of the Declaration, Bylaws, or Rules and Regulations of the Association.

RESOLUTION

NOW, THEREFORE, IT IS RESOLVED that the procedure set forth below shall be the process for handling complaints and enforcement of violations of the Declaration, Bylaws, and Rules and Regulations.

ARTICLE 1 OVERVIEW OF PROCESS

- 1.1. **Complaint.** An owner may file a written complaint with the Board of Directors regarding a violation of the Declaration, Bylaws, or Rules and Regulations by another owner, tenant, or guest. The Board of Directors may also initiate a complaint (Article 2).
- 1.2. **Investigation.** The Board of Directors has the discretion to investigate the complaint and decide if it is valid (Article 3).
- 1.3. **Violation and Notice.** If the Board of Directors finds there is a violation, the Board or its representatives must provide notice to the Alleged Offending Owner. The Board will first provide a First Notice to the Alleged Offending Owner. If the violation is not remedied or ceased within the time specified in the notice, then the Board will provide a second notice to the Alleged Offending Owner. An example of a second notice is provided herein in Exhibit B. This second notice must contain certain provisions, including giving the Alleged Offending Owner an opportunity for a hearing (Article 4).
- 1.4. **Hearing.** If requested, the Alleged Offending Owner may present testimony or evidence regarding the violation at the next board meeting, (Article 5).
- 1.5. **Fines.** The Board may impose fines pursuant to the *Schedule of Fines* if the violation is not remedied or ceased within the time specified in the notice, provided the owner has the opportunity for a hearing (Articles 3, 6, and 7).

ARTICLE 2

ORIGINATION / INITIATION OF COMPLAINT

- 2.1. **Board of Directors.** A complaint may be initiated by the Board of Directors based on information from a management agent, owner, or other information the Board deems reliable.
- 2.2. **Owners.** An owner (“**Complaining Owner**”) who desires the Board of Directors to take corrective action against another owner or tenant (“**Alleged Offending Owner**”) must submit a complaint to the Board of Directors. The complaint must be in writing and must include:
 - (a) The name, if known, and address of the Alleged Offending Owner;
 - (b) The name of the Complaining Owner;
 - (c) A statement indicating that, to the extent required by the Board of Directors, the Complaining Owner is willing to cooperate by testifying in a rules violation hearing or court proceeding initiated by the Association;
 - (d) A description of the offending behavior or activity, including the date(s) and approximate time(s); and
 - (e) Whether or not the Complaining Owner attempted contact with the Alleged Offending Owner in good faith regarding the alleged violation and what the outcome was of that discussion.
- 2.3. **Anonymous Rules Violations Complaints.** It is the policy of the Board of Directors not to investigate or take any action if a Complaining Owner is unwilling to disclose their name in conjunction with initiating a rules violation complaint against their neighbor. The Board retains limited discretion to accept an anonymous rules violation complaint or keep the identity of the Complaining Owner confidential if their personal safety has been reasonably threatened.

ARTICLE 3

INVESTIGATION OF COMPLAINT

- 3.1. **Investigation.** Upon receipt of a written complaint, the Board, or a person authorized by the Board, has the discretion to conduct an investigation to confirm the nature and existence of the allegations contained in the complaint.
- 3.2. **Determination of Violation.** If, after review of a complaint, the Board of Directors determines that there is a violation of the Declaration, Bylaws, Rules and Regulations, or other Governing Documents and the Board determines that it is in the best interest of the Association and owners to address the violation with the Alleged Offending Owner, the Board shall proceed to give notice to the Alleged Offending Owner as described below.

ARTICLE 4 NOTICE PROCEDURE

4.1 **Notice of Violation.** If the Board determines that there is a violation of the Declaration, Bylaws, Rules and Regulations, or other Governing Documents, the Board shall give the Alleged Offending Owner the following Notices of Violation:

- (a) **First Notice.** After making the determination that the Alleged Offending Owner is in violation of the Declaration, Bylaws, Rules and Regulations, or other Governing Documents, the Board shall give the Alleged Offending Owner a “**First Notice.**” The First Notice shall either be sent to the owner by regular mail or posted on the owner’s door. The notice required under this subsection must:
 - (1) State the violation; and
 - (2) State a specific period of time to correct or abate the violation.
- (b) **Second Notice and Right to a Hearing.** If, after the Board has provided a First Notice, the violation stated in the First Notice has not been brought into compliance by the Alleged Offending Owner, and the compliance deadline prescribed in the First Notice has expired, then the Board shall give the Alleged Offending Owner a Second Notice and Right to a Hearing.
 - (1) **Required Notice Provisions.** The notice required under this subsection must:
 - (i) Describe the violation;
 - (ii) Contain a statement that the Alleged Offending Owner has the opportunity to request a hearing, and the manner by which to request a hearing; and
 - (iii) Contain a statement advising the Alleged Offending Owner that if no hearing is requested within fourteen (14) days, and if the alleged violation is not remedied or ceased by a specified compliance deadline, fines will be assessed, beginning on the day following the specified compliance deadline, pursuant to the *Schedule of Fines* adopted by the Board as “Exhibit A” to this Resolution.
 - (2) **Optional Notice Provisions.** The notice may also provide or specify any or all of the following:
 - (i) Specific action the Board is requiring to remedy the violation;
 - (ii) The particular language or section from the Declaration, Bylaws, or Rules and Regulations which has been violated; and

- (iii) Any other information as directed by the Board.
- (3) **Delivery of Notice.** The notice shall be mailed by certified mail, return receipt requested, to the addresses on record with the Association. In the case of non-owner residents, the notice may be mailed to both the address on record with the Association for the owner and to the unit address.
- (c) For per occurrence violations (i.e., violations that are not continuing violations), the Board may proceed immediately to sending the Alleged Offending Owner a second notice as provided in Subsection (b) above without sending a first notice.
 - (d) A sample Second Notice is attached to this Resolution as Exhibit B. This sample notice is for illustrative purposes only.
- 4.2 **Repeat Violations.** Owners who repeat any violation within a 12-month period of receiving a Second Notice are not entitled to an additional notice or hearing, regardless of whether or not the owner participated in a hearing as a result of the first violation. For such repeat violations, the Board may automatically begin fines as outlined in the attached *Schedule of Fines*. Fines for any repeat violations may be increased to up to \$500 for the second violation and \$1000 for all subsequent violations.
- 4.3 **Informal Action.** Nothing in this article precludes the President, a designated Board member, or other person authorized by the Board from first attempting to resolve the matter either by an informal meeting, telephone call, or a warning letter to the Alleged Offending Owner.

ARTICLE 5 HEARING PROCEDURE

- 5.1 **Hearing Procedure.** In the event that an owner requests a hearing, the Board shall utilize the following procedure for violation hearings to be held during a regular open Board Meeting:
- (a) **Appearances at the Hearing.** If the Alleged Offending Owner fails to appear within *fifteen (15) minutes* of the time set for the hearing, the Board may, at its sole discretion:
 - (1) Conduct the hearing without the presence of the Alleged Offending Owner;
 - (2) Allow the Alleged Offending Owner additional time that day to appear;
 - (3) Reset the hearing to another date and time; or
 - (4) Dismiss the complaint.

- (b) **Dismissal**. In the case of dismissal, the Board shall notify the Alleged Offending Owner, in writing, that the complaint has been dismissed.
- (c) **Conduct of Hearing**
 - (1) **Testimony from Parties**. If the Complaining Owner chooses to appear and the Alleged Offending Owner appears, the Board shall proceed to hear from the Complaining Owner and then from the Alleged Offending Owner.
 - (2) **Evidence and Witnesses**. The Complaining Owner and the Alleged Offending Owner may present evidence and witnesses at the hearing. The Board may limit testimony and evidence as it determines is reasonable and necessary. An owner's testimony shall not exceed 15 minutes. For joint owners, the collective testimony shall not exceed 15 minutes.
- (d) **Board Determination**. Following the testimony and any evidence presented by the parties, the Board has the discretion to reevaluate its prior determination of violation under Sections 3.1 and 3.2 above. The Board also has the discretion to reevaluate the fine, any required or appropriate resolution for the violation, and any other matter which may result in the resolution of the violation.
 - (1) The discussions must be in open session as directed by 100.415(1)(f).
 - (2) The Board shall either give its decision at the conclusion of the hearing or take the matter under advisement and give the decision a later date not to exceed ten (10) days after the hearing date.

ARTICLE 6 OTHER LEGAL ACTION

- 6.1 **Board Actions.** In addition to levying fines, action by the Board may include, but need not be limited to:
- (a) Seeking injunctive or declaratory relief action against any Alleged Offending Owner and tenants, guest, or other occupants of the Alleged Offending Owner; and/or
 - (b) Taking immediate legal action, as the Board finds reasonably necessary, to stop conduct which it determines is in violation of the Governing Documents, Bylaws, Rules and Regulations, or applicable state or federal law.

6.2 Additional Corrective Action by Board.

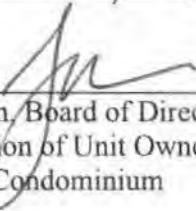
- (a) **Right of Board to Take Additional Corrective Action.** If the Alleged Offending Owner fails to correct the matter which is the ultimate cause of the violation, the Board may take additional corrective action without prior notice to the Offending Owner or opportunity for a hearing.
- (b) **Notice of Additional Action.** The Board shall give an Alleged Offending Owner written notice of any additional action taken under Subsection (a) of this section.

ARTICLE 7
MISCELLANEOUS

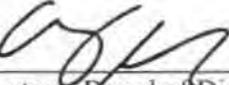
- 7.1 **Renters and Other Non-Owner Occupied Units and Guests.** The owner of any unit shall be responsible for the violations of any renter, tenant, guest, or family member who violates any portion of the Declaration, Bylaws, or Rules and Regulations.
- 7.2 **No Fines Pending Resolution of a Hearing.** Pending resolution of a requested hearing, no fines may be charged against the account of an Alleged Offending Owner.
- 7.3 **Mediation.** ORS 100.415(1)(f) provides for dispute resolution prior to any litigation being initiated between the Association and any member of the Association. For purposes of this Enforcement Resolution, the dispute resolution requirements of the Oregon Condominium Act and the Bylaws do not apply to the actions of the Association in its enforcement responsibilities, as long as no litigation has been filed.

BE IT FURTHER RESOLVED that the *Schedule of Fines* attached as **Exhibit A** is adopted by the Board of Directors to determine the fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association. A copy of this Resolution and amendments will be sent to each owner at the address shown in the records of the Association.

DATED: 10/29/19



Chairman, Board of Directors,
Association of Unit Owners of Flanders
Lofts, a Condominium



Secretary, Board of Directors,
Association of Unit Owners of Flanders
Lofts, a Condominium

EXHIBIT B

SAMPLE SECOND NOTICE

Association of Unit Owners of Flanders Lofts, a Condominium

Attn: [Association Representative], [Title]
[Address]

[Date]

John Doe
[Address]

RE: Notice of Violation and Opportunity for a Hearing

Dear Mr. Doe:

This letter is to inform you that a condition or occurrence on your property is in violation of the Association's Declaration, Bylaws and rules and regulations. Owning a home in the community comes with many advantages, but also imposes some restrictions that are necessary to maintain harmony and consistency within the community and help enhance property values.

Specifically, the following violation has been noted:

[Description of Violation with citation to specific rule]

You have the opportunity to request a hearing to discuss this violation with the Board of Directors. You must request a hearing or correct the violation within fourteen (14) days of this letter. If you do not request a hearing or correct the violation within that time, the Board may exercise any or all of its remedies related to the violation, including but not limited to fines in the amount of [amount of fine] beginning on [date] according to the Association of Unit Owners of Flanders Lofts, A Condominium Schedule of Fines.

Thank you for your prompt attention in this matter.

Sincerely,

Association Representative: _____

Title: _____

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Enforcement - Schedule of Fines”

Revised and Adopted: June 2024

RECITALS

- A. “**Association**” is the “Association of Unit Owners of Flanders Lofts, a Condominium,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to as the “**Bylaws**.[”]
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as Assessments.
- G. ORS 100.405(4)(k) and Article 7.6(c) of the Bylaws provide that the Board may levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association after notice and an opportunity to be heard, if the fine is based on a Schedule of Fines adopted by a resolution of the Board.
- H. The Board has previously adopted a revised Schedule of Fines dated May 2022 to be applied with the Enforcement Resolution.
- I. The Board deems it necessary and desirable to adopt a revised Schedule of Fines to be used by the Board in imposing sanctions for violations of the Declaration, Bylaws, or Rules & Regulations of the Association.

RESOLUTION

NOW, THEREFORE, it is Resolved that the Schedule of Fines attached as Exhibit A is adopted by the Board of Directors to determine the fines for violations of the Declarations, Bylaws, and Rules & Regulations, replacing in its entirety any previous Schedule of Fines in the the Rules & Regulations of the Association.

1. **Enforcement Resolution.** The procedure for handling complaints and enforcement of violations of the Declaration, Bylaws, and Rules and Regulations is set forth in the current Enforcement Resolution.
2. **Remedies for Violations.** The Board shall have the authority to levy fines as provided in the Association's Schedule of Fines, after providing the owner with notice and opportunity for a hearing. The Association shall have all other remedies at law or in equity to enforce the provisions of the rules and regulations in accordance with the Declaration, Bylaws, and the Condominium Act.
3. **Notice and Right to a Hearing.** For per-occurrence violations (i.e. violations that are not continuing violations), the Board may proceed immediately to sending the Alleged Offending Owner a second notice offering the opportunity for a hearing, without sending a first notice.
4. **No Fines Pending Resolution of a Hearing.** Pending resolution of a requested hearing, no fines may be charged against the account of an Alleged Offending Owner.
5. **Renters, Other Non-Owner Occupied Units, and Guests.** The owner of any unit shall be responsible for the violations of any agent, vendor, renter, tenant, guest, or family member who violates any portion of the Declaration, Bylaws, or Rules & Regulations.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the electronic collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each Unit Owner and all occupants as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:

BRIAN EMERSON
Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

SARAH GREGANTZ
Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

DATED : June 11 , 2024

Exhibit A**ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM**

Rules & Regulations
SCHEDULE OF FINES
Adopted June 2024

Maintenance, Additions, Alterations, and Improvements

Failure to maintain unit in good repair [Section 13.2 of the Declaration, Article 7.1(a) of the Bylaws]	\$100 Per Week
Any alterations to a unit which jeopardize soundness or safety of the condominium [Article 7.2(c) of the Bylaws]	\$100 Per Week
Unauthorized alteration which changes the exterior appearance of a unit or any common element [Article 7.2(d) of the Bylaws]	\$100 Per Week
Commencing any improvement (valued at \$500 or more) to a unit without prior written approval from the Board following an architectural review [Article 8.2(f) of the Bylaws]	\$250 Per Occurrence
Performance of construction work during unpermitted hours or days, or with inadequate supervision, or after being notified to stop work pending application approval [Additions, Alterations, and Improvements Resolution]	\$100 Per Day

Safety and Building Security

Harassing, threatening, aggressive or intimidating conduct that targets other owners, residents, property management employees, or board volunteers	\$500 Per Occurrence
Compromising building security, jamming or propping open any building door, allowing an unknown person or vehicle access to the building, or neglecting to monitor the overhead garage door after causing it to open	\$250 Per Occurrence
Sharing or other misuse of building access PIN codes, including allowing use by renters, tenants, guests, delivery services, household workers, or service providers	\$250 Per Occurrence

Animals

Keeping prohibited types of animals in a unit [Article 7.5(d) of the Bylaws]	\$100 Per Week
Permitting an animal to run at large or a dog not carried or kept on a leash outside a unit [Article 7.5(d) of the Bylaws]	\$100 Per Occurrence
Failure to pick-up animal waste [Article 7.5(d) of the Bylaws]	\$500 Per Occurrence

Use of Condominium Property

Failure to provide advance notice of and schedule a Move-in or Move-out in with the Manager. [Move In/Out Resolution]	\$250 Per Occurrence
Obstructing access through, storing debris or materials in, or the careless or improper use of a building Common Element [Article 7.5(b) of the Bylaws]	\$100 Per Day
Improper or careless use of building elevator, including failure to use proper wall and floor protection when needed, overloading, or blocking elevator door open	\$150 Per Occurrence
Noxious or offensive activity in a unit or on a common element, or excessive vehicle idling in the garage. [Article 7.5(c) of the Bylaws]	\$250 Per Occurrence
Unlawful use of any part of condominium property, or failure to observe valid laws, zoning ordinances, or regulations of governmental bodies with jurisdiction [Article 7.5(c) of the Bylaws]	\$500 Per Occurrence
Disturbing noises, including conspicuously loud noises at any hour, or excessive noise during quiet hours (10 p.m. to 7 a.m.) [Article 7.5(c) of the Bylaws]	\$250 Per Occurrence
Smoking on a General Common Element or Limited Common Element [Smoking Resolution]	\$50 Per Occurrence
Improper dumping of trash or debris on a common element or outside of a designated sanitary container [Article 7.5(i) of the Bylaws]	\$250 Per Occurrence
Items visible from building exterior affecting appearance, or display of signs visible from exterior of unit or in public view [Article 7.5(f) & Article 7.5(h) of the Bylaws]	\$100 Per Week
Unauthorized parking, including parking a vehicle in another homeowner's assigned space, or obstructing free passage in or through the garage [Article 7.5(b) of the Bylaws]	\$250 Per Day
Improper storage of personal or household items in any Common Element or parking space, or storage of property in any way that causes a hazard or nuisance. [Article 7.5(i) of the Bylaws]	\$100 Per Week
Oversize vehicles (18' max), vehicles parked or items stored outside of the marked boundaries defining a Unit's parking space. (Individual parking spaces vary in size, per plat and survey)	\$100 Per Week

Leasing and Rental of Units

Failure to promptly inform the Board or Manager of a new rental tenant or lessee [Article 6.6 of the Bylaws]	\$500 Per Occurrence
Leasing a unit for transient or hotel purposes, or for a period of less than (7) seven days [Article 7.5(g) of the Bylaws]	\$100 Per Day
Failure to execute a written rental or lease agreement that provides the required terms of a lease or rental in the condominium [Article 7.5(g) of the Bylaws]	\$250 Per Occurrence
Failure to provide a tenant or lessee with copies of the Association's governing documents, and rules & regulations [Article 7.5(g) of the Bylaws]	\$100 Per Occurrence

Businesses

Operation of unauthorized business in a Residential Unit [Article 10.1 of the Declaration; Article 7.5(a) of the Bylaws]	\$250 Per Week
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Insurance

Failure to maintain required insurance [Article 8.1.6 of Bylaws]	\$250 Per Occurrence
Tendering claims to Association's insurance without Board approval [Insurance Resolution]	\$250 Per Occurrence
Conditions that cause an increase in rate of insurance of common elements [Article 7.5(j) of the Bylaws]	\$250 Per Occurrence

Other Violations Not Listed

Other "per-occurrence" violations of the Declaration, Bylaws, or Rules & Regulations that are not specifically listed herein	\$250 Per Occurrence
Other "continuing" or ongoing violations of the Declaration, Bylaws, or Rules & Regulations that are not specifically listed herein	\$100 Per Week

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Electronic Notices”

RECITALS

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- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. Article 4.5 of the Bylaws vests the Secretary of the Association with the responsibility to attend to the giving and serving of all notices to Unit Owners.
- G. ORS 100.423 allows for any notice, information, or other written material required to be given to a unit owner or director, to be delivered through forms of electronic communication.
- H. The Board deems it is in the best interest of the Association to provide electronic notices to Owners who have provided email addresses, for all notices for which electronic notice is legal in order to increase timely and efficient communication to Owners and Directors.

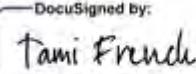
RESOLUTION

NOW, THEREFORE, be it Resolved that Association communications shall be distributed electronically, using the email addresses provided to the Association by Owners, as the primary mechanism for communication whenever possible, as follows:

1. **Types of Communication.** Examples of notices which will be transmitted electronically include, but are not limited to (i) meeting notices (ii) year-end financials (iii) reserve study updates, (iv) ballots, and (v) audit results.
2. **Exclusions.** The Board will not use electronic notification for (i) notice of failure to pay an assessment, (ii) notice of foreclosure of an Association lien under ORS 100.450, (iii) notice of an action of the Association taken against a Unit Owner, or (iv) an offer to use the dispute resolution process under ORS 100.405 or as otherwise required by the Governing Documents.
3. **Opt Out.** A Unit Owner may decline to receive notices from the Association by electronic mail by notifying the Manager. Owners who have requested to “opt out” will have notifications mailed via postal mail or other lawful means.
4. **Current Email Address.** It is the responsibility of Owners to provide to the Association and Manager with Owners’ current and correct email address, if they prefer to receive notices by email.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be mailed to each Unit Owner at the address shown in the records of the Association. This Resolution shall be binding as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:



Tami French
4F73BC3D9DB8416

Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium



Aaron Tuller
0448D54C636C4D4

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

DATED : June 7/6/2020, 2020

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Collection of Unpaid and Delinquent Assessments”

Adopted: August 2022

RECITALS

- A. **“Association”** is the “Association of Unit Owners of Flanders Lofts, a Condominium,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as **“Governing Documents”**:
 - 1. Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the **“Declaration”**);
 - 2. Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to as the **“Bylaws.”**
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the **“Board”**) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(4)(a) and Article 7.5(l) of the Bylaws empower the Board to adopt rules.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as Assessments.
- G. ORS 100.405(4)(e)(A) and Article 3.7(m) of the Bylaws authorize the Board to enforce provisions of the Declaration, Bylaws and Rules and Regulations, including action to collect unpaid assessments.
- H. ORS 100.405(4)(k) and Article 5.6 of the Bylaws authorize the Board to establish late charges for delinquent assessments.
- I. ORS 100.450(1) and Article 5.6 of the Bylaws authorize the Board to establish interest for delinquent assessments.
- J. ORS 100.450 and Article 5.6 and 5.7 of the Bylaws authorize the Board, on behalf of the Association, to bring suit to foreclose the lien against the unit.

- K. ORS 100.450(4)(c) and Article 5.6 of the Bylaws authorize the Board to bring an action to obtain a money judgment against an Owner for damages and for unpaid assessments.
- L. Under Article 5.3(a) of the Bylaws, owners are obligated to pay assessments.
- M. Article 5.3(a) of the Bylaws specifies that the Board has the power to assess the common expenses against the unit owners from time to time. Assessments are currently due and payable in advance on the first (1st) day, monthly.
- N. Article 5.6 of the Bylaws specifies that an assessment is delinquent if not paid within ten (10) days of its due date.
- O. Under ORS 100.450 all assessments, together with interest, attorney fees and costs of collection are a continuing lien on the unit against which the assessments are imposed.
- P. Under ORS 100.405(4)(k) and Article 5.6 of the Bylaws, owners are obligated to pay reasonable fees and costs, including, but not limited to, attorney fees incurred in connection with efforts to collect delinquent and unpaid assessments, regardless of whether a suit or action is commenced.
- Q. The Board has previously adopted a resolution in October 2017, with respect to the collection of unpaid HOA assessments (the "**Previous Resolution.**")
- R. The Board deems it in the best interest of the Association and the owners to adopt a uniform and systematic procedure for the collection of unpaid assessments that assures that unpaid assessments are timely and efficiently collected to minimize the loss of assessment revenue.
- S. To ensure that unpaid assessments are efficiently and effectively collected, the Board of Directors has entered into a cash flow enhancement agreement ("CFE Agreement") with *Vial Fotheringham LLP d/b/a VF Law* ("VF") to undertake collection and enforcement of delinquent assessments on behalf of the Association.

RESOLUTION

NOW, THEREFORE, IT IS RESOLVED that the rules governing collection of delinquent assessments set forth below be adopted to replace the Previous Resolution and provide for the uniform and systematic procedure for the collection of delinquent and unpaid assessments.

INTEREST LATE FEES AND OTHER COSTS

1. **Interest.** In accordance with Article 5.6 of the Bylaws, interest at a rate of twelve percent (12%) per annum shall accrue on all delinquent assessments.
2. **Late Charge.** In accordance with Article 5.6 of the Bylaws, any assessment that is delinquent as set forth above will be charged a late charge in the amount of five percent (5%) of the unpaid assessment

3. **Other Costs.** All costs of collection as set forth in Subsections (a), (b) and (c) of this section are imposed against the owner and are due when incurred in the amounts incurred, regardless of whether suit or action is commenced. Collection costs include, without limitation, the following:
 - a. **Management Company Charges.** Collection charges imposed by the management company, if included in the contract between the Association and the management company, including reasonable mailing costs, recording fees, time spent for account maintenance, and other similar expenses.
 - b. **Attorney Fees.** Any attorney fees for work performed with respect to the assessment account such as file intake; preparing calculations; consultations and telephone calls with the Association, owners, court, witnesses and other individuals involved in the process; legal research; drafting and preparing legal documents; drafting and preparing letters; depositions; trial preparations; travel time; investigations; court appearances; analyzing the account to determine the appropriate action; and preparing and attending post judgment proceedings.
 - c. **Other Costs.** All expenses such as recording fees, postage costs, copy costs, service costs, court costs, filing fees, paralegal fees, private investigator fees, garnishment fees and other similar expenses.

PROCEDURE

4. **Association Lien.** When an assessment is levied against a unit and Owner, the Association or an agent of the Association may cause a lien to be recorded in the Records of Multnomah County, Oregon.
5. **Delinquency.** An assessment is delinquent if not paid within ten (10) days of its due date, at which time a demand for payment may be made by the Association. If an assessment is not paid within ninety (90) days of its due date and/or the total due is more than two-thousand dollars (\$2,000), the Association shall make a demand for payment.
6. **Association Payment Demand Letter.** When an assessment is delinquent, the Association or its agent shall send the Owner a written payment demand letter ("Association Payment Demand Letter") in substantially the form set forth in attached Exhibit A that includes a:
 - a. Statement of the amount due under the assessment account.
 - b. Demand for immediate payment.
 - c. Notice if the stated amount due is not paid by the turnover date, the assessment account will be turned over to VF for collection in accordance with the Collection Resolution.
 - d. Statement that the owner is responsible for the payment of all costs for collection incurred, as specified in the Collection Resolution, and the costs constitute assessments against the owner and the unit.
7. **Turnover of Assessment Account to VF.**
 - a. Subject to Subsection (b) of this section, when an assessment remains unpaid after the

- turnover date specified in the Association Payment Demand Letter given under Section 6 above, Association or its agent shall turn over the assessment account to VF in accordance with the CFE Agreement. VF shall proceed as provided in the VF Agreement and this Resolution.
- b. After the assessment account is turned over to VF, all contact and communications with the Owner regarding the assessment account must be with VF, unless VF gives written consent otherwise.
8. **Initial VF Payment Demand; Recording of Lien.** When an assessment account is turned over to VF, VF shall:
- a. Initial VF Payment Demand. Send a written demand for payment ("Initial VF Payment Demand") to the Owner. The Initial VF Payment Demand must include a demand that all monies due under the assessment account be paid within thirty (30) days.
 - b. Association Lien. If an Association lien has not been recorded in the Records of Multnomah County, Oregon, prepare an Association lien against the unit and cause the lien to be recorded in the Records of Multnomah County, Oregon.
9. **Final VF Payment Demand.** If the total amount due is not paid by the date stated in the Initial VF Demand Payment under Section 8 above, or arrangement for payment made in accordance with Section 12 below, VF shall send a final demand letter ("Final VF Payment Demand") that demands payment of all monies due under the assessment account within ten (10) days.
10. **Legal Action.** If the assessment, including all costs specified in Section 3 above, are not paid by the date specified in the VF Final Payment Demand given under Section 9 above, or arrangement for payment made in accordance with Section 12 below, VF, on behalf of the Association, shall initiate a lawsuit for a personal money judgment against the Owner or foreclose the Association lien against the unit.
11. **Execution/Enforcement of Judgment.** After VF obtains a judgment, VF shall begin collection of the judgment by any one or combination of the following:
- a. Garnishing the owner's bank account.
 - b. Garnishing the owner's wages.
 - c. Executing a writ against the owner's real or personal property.
 - d. Any additional methods authorized by law.
12. **Payment Plans.** A payment plan proposed after the assessment account is turned over to VF must be approved by VF and the Board of Directors of the Association.
13. **Payments.** After the assessment account has been turned over to VF, all payments must be made to VF.
14. **Disbursal of Funds.** Funds shall be disbursed to the Association in accordance with the VF Agreement that provides as follows:

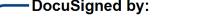
- a. When payments are received, they are split 50/50 between two expense categories: fifty percent (50%) of the payment is applied to past due assessments and non attorney related collection charges and fees and fifty percent (50%) is applied to attorney related charges and fees.
 - b. Each payment shall be split as provided under Subsection (a) of this section until one of the expense categories is paid in full. After one of the expense categories is paid in full, all of the remaining payments shall be applied to the remaining balance in the other expense category.

15. Owner Responsibility; Other Remedies.

- a. **Owner Responsibility For Payment of Assessments.** Regardless of any procedure prescribed under this Resolution, it is the responsibility of the Owner to ensure that assessments are paid when due.
 - b. **Owner Responsibility To Update Address.** It is the sole responsibility of the owner to notify the Association in writing of any change of owner mailing address.
 - c. **Other Association Remedies.** Nothing in this Resolution prevents the Association from taking any other actions against an owner, including termination of utilities and preventing the owner from access to recreational or service facilities, if provided under the Declaration, Bylaws, Rules and Regulations, or the Act.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each and every Unit Owner as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:

DocuSigned by:

Chairperson Board of Directors,
AUO of Flanders Long, A Condominium
05B2DD00A1EC44BD
Brian Emerson

8/12/2022

DATED : _____, 2022

DocuSigned by:
Sue L. Givans
3F9A96B47B9746E
Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

EXHIBIT A

ASSOCIATION PAYMENT DEMAND LETTER

[date]

[owner_name]

[owner address
city, state, zip]

RE: NOTICE OF UNPAID ASSESSMENTS and DEMAND FOR PAYMENT

Dear _____:

The records of Association of Unit Owners of Flanders Lofts show that your assessment account is now past due. Our records reflect the following:

Principal Assessments Due:	\$
Accrued Late Charges:	\$
Accrued Interest:	\$
Total Due:	\$

Demand is hereby made for immediate payment in full of the above Total Due. If payment in full is not made within thirty (30) days of the date of this letter, your assessment account will be turned over to Vial Fotheringham LLP for collection in accordance with the Association of Unit Owners of Flanders Lofts Collection Resolution. A lien will be recorded against your property in the Records of Multnomah County, Oregon.

All charges, including attorney fees, associated with collection of your assessment account are imposed against you and your unit as provided in the Collection Resolution.

NOTICES

I. BEFORE THE END OF THE 30-DAY PERIOD:

You may request a hearing if you disagree with the calculation of the above Total Due. To request a hearing, you may contact the undersigned in writing to voice your challenge. The Board must receive any written challenge of the calculation of these charges no later than the expiration of the 30th day after the date of this letter. If a hearing is not requested by the end of the 30 day period, your right to a hearing is forfeited.

If you would like to set up a payment plan, arrangements must be made with the contact below before the 30 days expires.

II. LENDER FORECLOSURE:

If a first trust deed or mortgage on your unit is being foreclosed, DO NOT EXPECT that delinquent assessments (including cost and fees) will be paid from the proceeds of the foreclosure sale. Assessments (including costs and fees) that are not paid from the proceeds of the foreclosure sale remain the personal responsibility of the owner. The Association will proceed to collect all monies owed to the Association by seeking a personal judgment against the owner.

Your prompt payment of the balance due is appreciated.

Sincerely,

Treasurer, Board of Directors
Association of Unit Owners, Flanders Lofts a Condominium
[Phone number]
[Email]
[Physical Address]

Copy to:

VF Law
17355 SW Boones Ferry Rd. Ste. A
Lake Oswego, OR 97035
Ph: (503) 684-4111 Fax: (503) 598-7758
portland@vf-law.com

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Use of Condominium Property”

Adopted: May 2022

RECITALS

- A. “Association” is the “*Association of Unit Owners of Flanders Lofts, a Condominium*,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. *Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership*, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to herein as the “**Bylaws**.[”]
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors of the Association (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as Assessments.
- X. The Board had previously adopted “*Resolution No. 3*” in November 1999, amended in July 2004, with respect to use of Condominium property (the “**Previous Resolution**.[”])
- X. Article 7.5 of the Association Bylaws prescribe the restrictions and requirements respecting the use of Condominium property
- X. For the benefit and protection of the Association, individual Unit Owners, their property, and property value, and in keeping with the residential character of the Condominium, the Board deems it necessary and desirable to establish clear expectations and guidelines for the appropriate use of Condominium property by all persons.

RESOLUTION

NOW, THEREFORE, it is Resolved that the Board shall adopt the rules set forth below with respect to use of Condominium property by all persons, and that the Previous Resolution shall be replaced in its entirety with this policy, which is added to the Rules & Regulations of the Association.

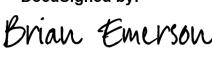
- 1. Noxious or offensive activities.** No noxious or offensive activities shall be carried on in any unit nor shall anything be done in or placed upon any unit which interferes with or jeopardizes the enjoyment of other units or the common elements or which is a source of annoyance to residents. [Article 7.5(c) of the Bylaws]
- 2. Noise; Quiet hours.** Unit occupants shall exercise extreme care not to make noises which may disturb other unit occupants, including the use of musical instruments, radios, televisions and amplifiers. [Article 7.5(c) of the Bylaws, Article 10.1 Declaration.] No excessive noise is allowed in the City of Portland, by ordinance, between the hours of 10:00 p.m. and 7:00 a.m. and nighttime noise should not exceed 40 decibels outside boundaries of a Unit during those hours.
- 3. Events or parties.** Owners and tenants who host any event or party shall heed special attention to the level of amplified music and shall be responsible to keep sound to a reasonable level at all times. Care should be taken to discourage and prevent activity that creates a nuisance or disturbance for other unit occupants including unnecessary noise and visitor traffic in General Common Elements. Any trash or debris caused by the event on any Common Element shall be cleared promptly.
- 4. Building doors and security.** The Condominium building is to remain secure at all times, with doors locked and access restricted always. No owner, guest, resident, agent, or service provider shall jam, prop open, or otherwise cause to remain open any door, including all building entrances and garage doors, at any time. Owners, drivers, tenants, guests, or any person who causes the overhead garage door to open must remain at the garage entrance and monitor the entrance until the overhead garage door is completely closed.
- 5. Use of Common Elements; Obstruction.** Building common areas including the lobby, hallways, stairways, garage, driveway, and elevator shall be left free for the equal enjoyment of all owners and occupants and shall remain unobstructed at all times. No personal property, including construction materials, debris, or waste/recycling, may be stored or staged on a Common Element in a manner that interferes with access by other owners or residents to and from any floor or access to any unit. Access to the lobby of the building must not be obstructed at any time. Unit Owners are instructed to exercise due care with Association property and all Common Elements. Any costs for repair, trash or property removal, cleaning, or other remediation for damage caused by improper or careless use, will be assessed against the Unit Owner.
- 6. Elevator.** When used for carriage of appliances, furniture, or any large objects that may scratch or damage the elevator surfaces, the building elevator must be protected with moving pads on the walls and fitted with floor protection. No items in excess of the posted weight limit may be

transported in the elevator. The elevator must not be held or propped open at any time for any duration, and should be placed into or out of service with the proper keys as required.

7. **Garage; Parking.** Residents, their guests, agents or vendors must park all vehicles in accordance with all city regulations, parking signs, street and curb markings, and the Association parking rules. No vehicle may remain parked in the Condominium parking garage in a way as to obstruct access or free passage into or out of the garage.
8. **Exterior Appearance; Signs.** Items in, on, or attached to those areas of windows, balconies, or outside walls, which are visible from the street or from other units are subject to Board approval. Garments, rugs, laundry, and other similar items may not be hung from windows, facade, balconies, or decks. [Article 7.5(f) of the Bylaws.] No signs may be attached to the outside of the building or displayed to public view. [Article 7.5(h) of the Bylaws]
9. **Animals.** Permitted household pets may not run at large and all dogs must be carried or kept on a leash when outside of a unit. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective owners thereof, and owners shall be responsible for removal of wastes of their animals. No pet shall be permitted to cause or create a nuisance or unreasonable disturbance or noise. [Article 7.5(d) of the Bylaws]
10. **Owner Cooperation.** Unit owners that rent or lease a unit shall cooperate directly with the Board and Manager in resolving complaints or concerns with respect to such tenants or leaseholders who may be in violation of this policy or any provisions of the Governing Documents or the Rules & Regulations of the Association.
11. **Fines.** The Board of Directors may assess fines against a Unit Owner for violations of this Resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution. The Unit Owner shall be held responsible for violations by any guest, tenant, contractor, vendor, or service provider of any portion of the Governing Documents or Rules & Regulations.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each and every Unit Owner and all occupants as of the date of delivery of this Resolution to Unit Owners.

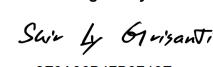
ATTESTED:

DocuSigned by:

Brian Emerson
05B2DD00A1FC44BD...

Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

5/26/2022

DATED : May _____ , 2022

DocuSigned by:

Savitri Gruisanty
3F9A96B47B9746E...

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Additions, Alterations, and Improvements”

Adopted: May 2022

RECITALS

- A. “Association” is the “Association of Unit Owners of Flanders Lofts, a Condominium,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to herein as the “**Bylaws**. ”
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as assessments.
- G. Article 7.2(a) of the Bylaws provides for a unit owner to make improvements or alterations to their unit that do not impair structural integrity or mechanical systems.
- H. The Board has previously adopted “*Policy Resolution Number 1*” in June 1999 and “*Resolution No. 3*” in November 1999 with respect to use and maintenance of Condominium property (the “**Previous Resolutions**. ”)
- I. For the benefit and protection of the Association, individual Unit Owners, and their property, the Board deems it necessary and desirable to update and prescribe the formal process for the application, review, and performance of construction, alterations, additions and improvements within the Condominium.

RESOLUTION

NOW, THEREFORE, it is Resolved that the Board shall adopt the rules and procedure set forth below with respect to construction, alterations, additions, and improvements, within the Condominium, and that the pertinent articles of the Previous Resolutions shall be replaced in their entirety with this policy which is added to the Rules & Regulations of the Association.

- 1. Definition of Work.** Any repair, addition, alteration, improvement, act of maintenance, or other construction within a unit, the value of which is in excess of \$500 (five-hundred dollars) [Article 8.2(f) of the Bylaws], or on any Common Element regardless of value, or on the exterior appearance of the building, whether performed by a Unit Owner or a third-party, shall be “**Work**” that is subject to the policy herein.
- 2. Exterior attachments.** No exterior lighting, noise-making device, antenna, or transmitting tower shall be installed or maintained on any unit or Common Element, except with consent of the Board. [Article 7.5(e) of the Bylaws]
- 3. Application to undertake Work.** A Unit Owner who wishes to undertake any Work on their unit or a Common Element shall submit to the Board an application in writing which describes the plans in sufficient detail to evaluate the scope and impacts of the Work. This *Architectural Review Application* is attached as **Exhibit A**. Such Application shall be deemed complete only when all documentation requested by the Board is satisfactorily provided.
- 4. Consent of Unit Owners.** In a situation where Work would change boundaries between units, jeopardize the soundness or safety of the property, reduce property value, impair any easement, or increase common expenses of the Association, the consent of other unit owners affected must first be obtained. [Article 7.2(c) of the Bylaws]
- 5. Plans, reports, or surveys.** Any relevant professional opinions, reports of architects, contractors, or other professionals, or schematics, surveys, or plans needed to evaluate the impact of the planned Work on the structural integrity mechanical systems of the building; soundness or safety of the building or any unit; the value of the building or any unit; or any easement, shall be provided at the expense of Unit Owner and included with the Application.
- 6. Consideration by the Board.** The Board shall act on any complete Application within 45 calendar days of receipt of such application by the Board or Manager. At its sole discretion, the Board may appoint an Architectural Review Committee (ARC) to review an Application and make recommendations to the Board.
- 7. Permits.** The Unit Owner is solely responsible for obtaining any required permits for the Work, including but not limited to a commercial alteration/tenant improvement building permit, and/or

separate mechanical, electrical, and/or plumbing permits. Copies of all permit applications and approvals related to the Work shall be provided to the Manager without delay.

- 8. No Work to commence without prior approval.** No Work whatsoever may commence without prior approval of an Application by the Board, whose approval shall be delivered to the Unit Owner in writing. Should the Board vote to conditionally approve an Application for Work, no such Work shall be commenced or performed unless and until all conditions indicated by the Board have been fully met or addressed, and any pertinent supporting documentation has been delivered to and accepted by the Board. Any changes or alterations to the planned Work after an Application has been approved must be brought to the attention of the Manager or Board, and may be subject to further review, approval, and/or conditions.
- 9. Notice to neighbors.** After approval of the Application and at least three (3) days prior to Work commencing, the Unit Owner shall notify the owners and residents of adjacent units in the building (above, below, aside, and across any hall) of the upcoming Work. Such notice shall be delivered in writing, include a description of the scope of work, the schedule for performance, and identify any construction products or processes that may produce excess dust or chemical vapors. This notice should also include contact information for the Unit Owner or other person supervising the Work in the Condominium. The Board, at its sole discretion, may waive this notice requirement for minor or unobtrusive Work.
- 10. Performance of the Work.** All Work shall be performed at the sole cost and expense of the Unit Owner. Work may only be performed on weekdays (Monday through Friday), excluding Federal holidays, and exclusively between the hours of 8:00 a.m and 5:00 p.m. There shall be no Work performed during any other hours or on any other days without explicit written permission from the Board.
- 11. Supervision of on-site work; Security.** All Work on-site shall be supervised by either the Unit Owner or some responsible person designated by the Unit Owner. This Work supervisor shall be present at the job site to ensure that the conduct of work is carried out consistent with any permits, the approved Application, and this policy. Said supervisor shall also be responsible for ensuring the security of the building is not compromised as a result of the Work, or by any contractors, vendors, delivery persons, or tradespersons involved in the Work. The name and contact information for this supervisor must be included with the Application.
- 12. Improper use of Association property, Common Elements, and utilities.** Unit Owners, contractors or other vendors are instructed to exercise due care with Association property and the Common Elements. Any costs for repair, removal, cleaning, or other remediation for damage caused by improper or careless use, will be assessed against the Unit Owner.
 - (a) **Doors.** No owner, resident, agent, or service provider shall jam, prop open, or otherwise cause to remain open any door, including all building entrances and garage doors, at any time.
 - (b) **Staging; Obstruction.** No boxes, tools, or construction material shall be stored or staged on a Common Element in a manner that interferes with access by other owners or residents to and

- from any floor or access to their unit. Access to the lobby of the building must not be obstructed at any time.
- (c) **Elevator.** The building elevator must be protected with moving pads and floor protection at all times during any use for the Work. No items in excess of the posted weight limit may be transported in the elevator. The elevator must not be held or propped open at any time for any duration, and should be placed into or out of service with the proper keys as required.
- (d) **Garage; Parking.** Residents and their agents or vendors must park all vehicles, including all construction vehicles, in accordance with all city regulations, parking signs, street and curb markings, and the Association parking rules. Construction vehicles may not remain parked in the Condominium parking garage, and may make no obstruction to access or free passage into or out of the garage.
- (e) **Trash; Dumpster** Unit Owner and contractors must promptly remove all packaging, debris, and other construction materials from the General Common Elements each day. The Condominium trash room and containers may not be used for construction debris or other related material unless prior arrangement is made with the Manager; the cost of any such additional hauling will be at the expense of the Unit Owner.
- (f) **Utilities.** The use of Association utility services for the Work of an individual Unit Owner is not permitted.
- (g) **Common Elements.** No part of the Work shall be performed on a General Common Element. All dust and debris in a Common Element shall be promptly removed and the area cleaned. Any damage made to a Common Element must be reported to the Manager by the Unit Owner.

13. Remedies; Stop Work notice. All Work, as defined herein, within the Condominium is subject to this policy regardless of Application status. Should the Board determine that Work is proceeding in violation of this policy, the Board shall seek all available remedies to protect the interests of the Association. If a Unit Owner is found to be in violation of this policy, the Board shall issue a notice to ‘stop work’ immediately, and Work must not continue in the Condominium until any issues have been resolved to the satisfaction of the Board. Notice shall be personally delivered, or mailed by first class to the Unit Owner at the addresses shown in the records of the Association and posted on the Unit front door at the property address. The notice shall contain:

- a. A statement that the Board has not approved the commencement of the Work or that the Work is otherwise in violation;
- b. A statement that the Unit Owner is subject to additional fines if Work continues without a resolution with the Board, and;
- c. The procedure to request an architectural review hearing.

14. Damage to other units. Any damage to another owner’s unit on account of the Work, or neglect by the Unit Owner, or their contractors or other vendors is the responsibility of the Unit Owner and all costs for repair or other remediation for damage shall be at the Unit Owner’s sole expense.

15. Owner responsibility and cooperation. Unit Owner is responsible in all respects for the conduct of contractors, vendors, or other persons entering the property to conduct the Work. Unit Owner shall work cooperatively with the Association, Manager, Board, and/or any affected other owner with

regards to the Work, or any issue with Unit Owner's vendors, contractors, and service providers.

- 16. Emergency repairs.** No portion of this policy prohibits or restricts any Unit Owner from making emergency repairs or taking immediate appropriate action as necessary to avoid or minimize damage to the Condominium building and/or any unit.
- 17. Board approval is not a release.** Board review and approval of an Application for proposed Work is solely for the purposes of protecting the interests of the Association. Such Board approval is not a release of liability, and does not suggest any professional architectural, engineering, zoning code, or permitted use review or approval. By its approval of the Application, the Board assumes no liability or obligation with respect to the Work.
- 18. Insurance by Unit Owner.** Unit Owner shall be responsible for obtaining at their own expense, insurance covering their property, their liability, and any necessary insurance coverage appropriate for the scope of the Work. [Article 8.1.6 of the Bylaws]
- 19. Fines.** The Board of Directors may assess fines against a Unit Owner for violations of this Resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution. Unit Owner shall be held responsible for violations by any contractor, vendor, or service provider of any portion of the Governing Documents or Rules & Regulations.

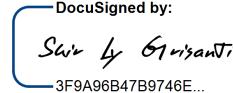
BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each Unit Owner and all occupants as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:

DocuSigned by:

Brian Emerson
05B2DD0A1FC44BD...

Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

DocuSigned by:

Sue L. Grisanti
3F9A96B47B9746E...

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

5/26/2022

DATED : May _____ , 2022

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Additions, Alterations, and Improvements Resolution

Exhibit A

“Architectural Review Application”

Flanders Lofts Architectural Review Form

A CONDOMINIUM ASSOCIATION C/O:
 Bluestone and Hockley Real Estate Services
 4915 SW Griffith Dr. #300, Beaverton, OR 97005
 hoa@bluestonehockley.com

Unit #:		Date Submitted:	
Applicant Name:			
Project Name: <i>(i.e., "Bathroom Remodel")</i>			
Contact Information:			
Daytime Phone:		Secondary Phone:	
Email:		Emergency Phone:	
Project Information:			
Project Type:	<input type="checkbox"/> Renovation	<input type="checkbox"/> Major System Replacement	<input type="checkbox"/> Remodel/Structure Change
Estimated Start Date:		Estimated End Date:	
Contractor Name:			
Contractor Phone:		Estimated Cost:	
Project Details:			

IMPORTANT NOTES:

- All construction and installation of any improvements shall comply with local, state, and federal building and land-use regulations. **Compliance with these regulations is the responsibility of the homeowner.**
- For structure changes, please include a simple foot-print drawing and list the types of materials planned.
- Building, electrical, or plumbing permits may be required. The determination of the necessity of any permits and the act of obtaining any permits is the responsibility of the homeowner.
- Changes to the proposed plan necessitated by permits or compliance with local, state, or federal building or land-use regulations are subject to additional review by the Architectural Review Committee (ARC).
- Applicants are responsible to notify all adjacent neighbors of potential sound, dust, fumes, or other annoyances associated with approved projects. No work is to be done on-site during the building's defined quiet hours.
- Please submit this application 30 days prior to beginning your project. It is a priority of the ARC to have your application reviewed in a timely manner so as not to impede the completion of your project.
- **This review and approval are not a review, nor an approval, for compliance with any local, state, or federal building or land-use regulations.**

Applicant – Please do not mark below this line.

ARC Decision: <input type="checkbox"/> Approved <input type="checkbox"/> Approved with Conditions <input type="checkbox"/> Disapproved
<i>ALL LOCAL, STATE, AND FEDERAL BUILDING OR LAND-USE REGULATIONS MUST BE MET (see above).</i>
Comments or Conditions for Approval:

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Tenant Occupancy”

Adopted: May 2022

RECITALS

- A. “**Association**” is the “Association of Unit Owners of Flanders Lofts, a Condominium,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to herein as the “**Bylaws**.[”]
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as assessments.
- G. Portland City Code 33.207 regulates the establishment of short term rentals within the planning zone where the Condominium is located.
- H. Article 7.5(g) of the Bylaws provides the terms by which a Unit Owner may rent or lease a unit.
- I. For the benefit and protection of the Association, individual Unit Owners, and their property, and in keeping with the residential character of the Condominium, the Board deems it necessary and desirable to set forth the formal process for Unit Owners who rent or lease a Residential Unit in the Condominium.

RESOLUTION

NOW, THEREFORE, it is Resolved that owners, tenants or leaseholders shall follow the rules and procedure set forth below with respect to any short-term or multi-month rental or lease of a Residential Unit of the Condominium, and that this policy is added to the Rules & Regulations of the Association.

1. **Leasing or Rental of Units.** No residential Unit Owner may lease or rent less than their entire unit, and no Unit Owner may rent a unit for transient or hotel purposes, or for a period of less than seven (7) days. [Bylaws Article 7.5(g)]
2. **Notice of Rental or Lease.** Immediately upon the rental or lease of any unit, the Unit Owner shall promptly inform the Association or the Manager of the name and contact information of said lessee or tenant [Bylaws Article 6.6] providing a completed *Statement of Occupancy Information*, attached as **Exhibit A**.
3. **Lease or Rental Agreements in Writing.** All leases or rentals shall be by a written lease agreement, which shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and that any failure by the lessee or tenant to comply with the terms of such documents shall be a default under the lease. [Bylaws Article 7.5(g)] Said executed rental or lease agreement shall be made available to the Manager or Board upon written request.
4. **Copy of Governing Documents.** Unit Holder shall provide to tenant or leaseholder a copy of the Association Governing Documents and Rules & Regulations. Further, Unit Owner shall provide tenant or leaseholder with emergency contact information for the Manager and the Association.
5. **City Planning and Zoning.** At all times, Unit Owners renting or leasing their unit must be in compliance with relevant City of Portland Planning and Zoning Regulations, including without limitation Portland Zoning Code Section 33.207 which pertains to Accessory Short-Term Rentals (ASTR).
6. **Permit.** Any Unit Owner that is issued an ASTR permit by the City of Portland shall provide a copy of such permit to the Manager.
7. **Building Access.** Tenant or leaseholder access to the Condominium may be provided by either electronic key fob or numeric pin code, which method and particulars must be recorded on the *Statement of Occupancy Information*. The cost of replacement key fobs and/or for reprogramming building access codes between different tenants or leaseholders will be assessed against the Unit Owner.
8. **Move-in Move-out.** If a tenant or leaseholder shall undergo a Move-in and/or Move-out as defined by such Association policy, then the Unit Owner shall make a note of this need on the *Statement of Occupancy Information*. Unit Owner will be assessed the Association's Moving Fee, if applicable.

- 9. Owner Cooperation.** The owner of any unit is ultimately responsible for any renter, tenant, or lessee who violates any portion of the Governing Documents or Rules & Regulations of the Association. Owners that rent or lease a unit shall cooperate directly with the Board and Manager in resolving complaints or concerns with respect to such tenants or leaseholders who may be in violation or otherwise creating a nuisance or unreasonable disturbance.
- 10. Fines.** The Board of Directors may assess fines against a Unit Owner for violations of this Resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution. The Unit Owner shall be held responsible for violations by any renter, tenant, guest, or family member of any portion of the Governing Documents or Rules & Regulations.
- 11. ORS Chapter 90 Not Applicable.** Nothing in this Resolution or the Governing Documents may be construed to impose on the Association the duties, responsibilities, or liabilities of a landlord under ORS Chapter 90 or subject the Association to the requirements of ORS Chapter 90.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each Unit Owner and all occupants as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:

DocuSigned by:

Brian Emerson
05B2DD0A1FC44BD...

Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

DocuSigned by:

Savitri Gurusanti
3F9A96B47B9746E...

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

5/26/2022

DATED : May _____ , 2022

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Exhibit A

“Statement of Occupancy Information”

Statement of Occupancy Information

AUO of Flanders Lofts

% Bluestone & Hockley Real Estate Services

4915 SW Griffith Dr. #300, Beaverton, OR 97005

hoa@bluestonehockley.com

Unit #:		Date Submitted:	
Unit Owner:			
Unit Owner Daytime Phone:		Mobile Phone:	
Email:		Emergency Phone:	
Tenant Information:			
Name of Tenant/Lessee			
Daytime Phone(s):			
Secondary Phone(s):			
Email address:			
Additional Occupant:			
Vehicle Description:			Parking Space #
Pet Information:			
Rental or Lease Agreement Information:			
<input type="checkbox"/> Move-in and Move-out of furnishings -OR- <input type="checkbox"/> Unit is rented fully furnished			
Move-In Date:	Rental/Lease Duration:		
Building Access Method: <input type="checkbox"/> Key Fob <input type="checkbox"/> Pin Code <input type="checkbox"/> Pin Code & Key Fob			
Key Fob(s) / Pin Code²:			
Additional Information:			

IMPORTANT NOTES:

- 1 – Tenants who will be moving substantial personal property and/or any furnishings into the unit are subject to the Association's Move-in Move-out policy and must schedule both moves with the property manager providing sufficient notice.
- 2 – Building access pin codes that are provided to any tenant must be deactivated at the termination of their lease or rental agreement. Any key fobs provided to a tenant shall be identified by their unique ID number. Lost or unreturned fobs must be reported immediately to the property manager. If you cannot read your fob ID number, please contact Bluestone & Hockley for assistance. The cost of replacement key fobs and/or for reprogramming building access codes between different tenants or leaseholders will be assessed against the Unit Owner

**ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS,
A CONDOMINIUM
Resolution of the Board of Directors**

SMOKING

RECITALS

- A. "Association" is the "Association of Unit Owners of Flanders Lofts, a Condominium" which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents:
 1. *Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership* recorded on August 15, 1997 as document number 97123846 in the records of Multnomah County, Oregon, including any amendments thereto ("Declaration");
 2. *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded as Exhibit C to the Declaration recorded with the same document number as the Declaration in the deed records of Multnomah County, Oregon.
 3. First Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium recorded on March 16, 2005 as document number 2005-044825 in the deed records of Multnomah County, Oregon
 4. Second Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium recorded on February 11, 2013 as document number 2013-020001 in the deed records of Multnomah County, Oregon (Items B2 – B4 collectively shall be referred to herein as the "Bylaws").
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14, Section 14.3 of the Declaration and Article 3, Section 3.7 of the Bylaws vest the Board of Directors ("Board") with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7, Section 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.405(4)(k) and Article 7, Section 7.6(c) of the Bylaws provide that the Board may levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association after notice and an opportunity to be heard, if the fine is based on a *Schedule of Fines* adopted by a resolution of the Board.

G. From time to time, the Board has received complaints of owners smoking or vaping on or around Condominium common elements. The Board has found it to be in the best interests of the Association to refer the following rules and regulations with respect to smoking and vaping to the owners.

NOW THEREFORE, the Association adopts the following rules with respect to smoking and vaping:

1. **Definitions.** The following definitions apply to this Resolution, whether or not the terms are capitalized:
 - (a) **“General Common Element”** consists of all parts of the Condominium which are not part of the Limited Common Elements or Units as provided in Article 5 of the Declaration.
 - (b) **“Limited Common Elements”** consists of parking spaces within the garage and the balconies and decks adjoining the Units pursuant to Article 6 of the Declaration.
 - (c) **“Smoking”** means the carrying, burning, lighting, or otherwise handling or controlling any lighted cigarette, cigar, pipe or other smoking product or the vaping of an e-cigarette or vape pen.
 - (d) **“Smoking Product”** means any tobacco cigarette, cigar, pipe tobacco, smokeless tobacco, snuff, any clove, marijuana or other plant matter or product or other form of tobacco that emits a smoke, vapor, or odor.
 - (e) **Other Definitions.** All definitions contained in the Declaration, Bylaws, or the Oregon Condominium Act apply to this Resolution.
2. **Smoking Prohibition.** Smoking is prohibited on all General Common Elements and Limited Common Elements of the Condominium. This prohibition applies to each Unit Owner as well as the Unit Owner’s family, tenants, guests, and authorized occupants.
3. **Remedies for Violations.** The Board shall have the authority to levy fines as provided in the Association’s *Schedule of Fines*, or if no fine has been designated, at a rate of \$250 per occurrence, after providing the owner with notice and opportunity for a hearing. The Association shall have all other remedies at law or in equity to enforce the provisions of these rules and regulations in accordance with the Declaration, Bylaws, and the Condominium Act.

///

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at their last known address. This Resolution shall be binding on each Unit Owner and occupants as of the date of delivery of this Resolution to that Unit Owner.

DATED:

10/29/19


Chairman, Board of Directors,
Association of Unit Owners of Flanders
Lofts, a Condominium


Secretary, Board of Directors,
Association of Unit Owners of Flanders
Lofts, a Condominium

Association of Unit Owners of Flanders Lofts, a Condominium

Resolution of the Board of Directors

INSURANCE

RECITALS

WHEREAS, "Declaration" is the *Declaration Submitting Flanders Lofts, a Condominium to Condominium Ownership*, "Bylaws" is *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, "Act" is *the Oregon Condominium Act, Oregon Revised Statutes, Chapter 100*, and "Association" is *Association of Unit owners of Flanders Lofts, a Condominium*.

WHEREAS, ORS 100.405(1)(a) provides that a condominium association serves as a means through which the unit owners may take action with regard to the administration, management, and operation of the Condominium.

WHEREAS, Article 14.3 of the Declaration and Article 3.7 of the Bylaws provide that the Board of Directors shall have all of the powers permitted under the Act, Declaration, and Bylaws to acquire and pay for, out of common expense funds, all services required for the proper functioning of the Condominium. Article 3.17 of the Bylaws further provides that the Board shall obtain insurance policies pursuant to these powers.

WHEREAS, Article 7.5(l), of the Bylaws and ORS 100.405(4)(a) provides that the Association has the authority to promulgate rules and regulations necessary for the administration of the affairs of the Association.

WHEREAS, Article 8 of the Bylaws prescribe the types of insurance the Association must obtain and maintain at all times and pay for out of the common expenses funds, for the benefit of the Association and unit owners.

WHEREAS, Article 8.1.6 of the Bylaws specifies that a unit owner or unit owners must obtain additional insurance respecting his or her unit and at his or her own expense.

WHEREAS, the Declaration is silent regarding responsibility for the payment of the Association insurance policy deductible.

WHEREAS, it is the intent of the Board of Directors to:

1. Ensure that the Association has adequate coverage for property and liability insurance.
2. Ensure the continuing insurability of the Association at a reasonable price; and
3. Prescribe a procedure for reporting and processing insurance claims.

NOW THEREFORE BE IT RESOLVED THAT the conditions, requirements, and procedures set forth below be adopted:

I. INSURANCE DEDUCTIBLE; OWNER AND TENANT INSURANCE

1.1. Determination of Deductible; Notice

(a) **Determination of Deductible by Board.** The Board of Directors shall determine the amount of the deductible for property loss insurance policies and any other insurance policies required to be obtained by the Association as provided in the Declaration, Bylaws or applicable law. In determining the deductible under the policies, the Board shall take into consideration, among other factors the: availability, cost, and loss experience of the Association. In making the determination, the Board members shall exercise their reasonable business judgment.

(b) **Notice.** The Board of Directors shall give written notice to the owners of the amount of the deductible under the Association policies and any change in the deductible proposed in renewal or replacement insurance policies not more than ten (10) days after the effective date of the change. The notice shall be delivered to each unit, mailed to the mailing address of each unit, or mailed to the mailing address designated in writing by the owners. The notice shall include the following notice in at least 12-point type that is either all capitals or boldface:

**NOTICE
CHANGE IN ASSOCIATION
INSURANCE COVERAGE**

**THERE ARE CHANGES IN INSURANCE POLICIES CARRIED BY THE
ASSOCIATION. YOU SHOULD IMMEDIATELY NOTIFY YOUR
INSURANCE AGENT OF THE CHANGES SET FORTH IN THE
ENCLOSED INFORMATION AND ASK YOUR AGENT TO DETERMINE
IF CHANGES TO YOUR INSURANCE POLICIES ARE NECESSARY.**

1.2. Responsibility for Insurance. The responsibility for insurance shall be as provided in this section.

(a) **Owner Property Insurance.** Owners shall be responsible for obtaining and maintaining insurance policies covering their own property, including the cost of any deductible for which owner may be responsible under Section 1.3, below, and, if applicable, any other insurance requirement contained in the Declaration.

(b) **Tenant Property Insurance.** Tenants shall be responsible for insuring their own personal property for any loss or damage.

(c) **Owner and Tenant Liability Insurance.** Owners and tenants shall obtain and maintain insurance policies. The coverage shall be a comprehensive liability policy with combined limits of not less than Three Hundred Thousand Dollars (\$300,000) for each occurrence and shall provide coverage for, without limitation, the negligent acts of owners and tenants, their guests or

other occupants of the unit for damage to the general and limited common elements and other units and the personal property of the others located therein, including the cost of any deductible for which owner may be responsible under Section 1.3, below.

(d) Association. The Association shall have no responsibility to obtain or assist in obtaining property loss insurance for any owner or tenant for:

- (1) Damage to a unit not covered by the Associations policy; or
- (2) For any damage or loss to the owner's or tenant's personal property.

1.3. Deductible

(a) Damage Not Resulting from Negligence.

(1) Damage Affecting More Than One Unit. If a loss affects more than one unit, when there is no negligence by any party, the parties which have sustained damage (the Association, unit owners or both), shall pay their proportionate share of the Association deductible. The share shall be a percentage determined by dividing the damage to those portions of the building the non-casualty maintenance of which is the responsibility of the party under the governing documents of the Association, into the total of all building damage incurred in the loss.

(2) Damage Affecting One Unit. If the damage is confined to a single unit, the unit owner shall be responsible for the entire deductible of the master association policy.

(b) Damage Resulting from Negligence. If a loss affects more than one unit, the common elements or a combination thereof, to the extent the damage is the result of the negligence of a party, the deductible shall be allocated to the negligent party.

(c) Owner Policy Deductible. Owners of damaged units shall be responsible for payment of their individual condominium unit owner policy deductible.

II. Damage Less than the Deductible

2.1 Subject to the requirements of the Declaration and Article 8 of the Bylaws, if the cost to repair damage to a unit is less than the amount of the deductible of the Association insurance policy, the owner of the damaged unit is responsible for the cost of the repairs.

III. Duplicate Insurance Coverage

3.1 In the event of duplicate insurance coverage, the insurance policy obtained by the unit owners shall be considered the primary coverage.

IV. Procedure for Claims Handling

4.1 All claims against the Association's insurance shall be processed through and coordinated by the Board of Directors, or, if authorized, the Association's managing agent.

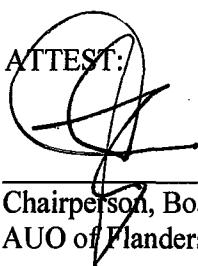
4.2 Charges of managing agents for handling claims shall be paid by the Association to the extent the deductible is paid by the Association; and by the owner or owners to the extent the deductible is paid by the owner or owners under Section 1.3, above. The deductible is per occurrence. The Association shall, when possible, include the managing agent's insurance claims administrative services within the insurance claim, if a claim is filed.

4.3 The Association shall seek reimbursement for all expenses of processing the claim from an owner when the claim exists and the insurance does not cover all the costs if an owner is responsible for damage under Section 1.3, above. If owners of more than one unit are responsible for the damage, the allocation of expenses shall be allocated as provided in Section 1.3, above.

V. Other Rights and Remedies.

5.1 Nothing in this Resolution prohibits owners from pursuing any rights or remedies, such as contribution or subrogation, that an owner may be legally entitled to pursue.

ATTEST:



Chairperson, Board of Directors
AUO of Flanders Lofts, a Condominium



Secretary, Board of Directors
AUO of Flanders Lofts, a Condominium

DATED: 11/20/2010, 2008.

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Move In/Out Procedure and Fee”

Revised and adopted: May 2022

RECITALS

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- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to as the “**Bylaws**.[”]
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as assessments.
- G. For the benefit and protection of the Association, individual Unit Owners, and their property, the Board deems it necessary and desirable to update and prescribe the formal process to ensure best practices, monitoring security, and protecting assets during any move-in or move-out of the condominium by any Owner, tenant, leaseholder, renter, or other resident, and to establish a fee for the same.

RESOLUTION

NOW, THEREFORE, it is Resolved that residential unit owners, tenants, and leaseholders shall follow the rules and procedure set forth below when moving in to and/or moving out of the condominium building. Commercial units are exempted from this Resolution.

1. **Moving Into or Out of a Unit; Definition.** As used herein, a move into or out of a unit (a “Move In/Out”) shall be defined as activity on a single day to bring into or remove from an Owner’s unit, connected to a change of occupant, tenant, renter, lessee, or ownership, a substantial amount of boxes, belongings, furnishings, furniture, appliances, or other personal property requiring multiple trips through the building doorways, lobby, stairways, and/or elevator.
2. **Rental Units.** Owners are responsible for any Move In/Out of their rental tenants or lessees, and are liable for a Moving Fee for each new tenant unless the Owner’s Unit is rented as fully furnished and the tenant will not be moving a substantial amount of personal property or furnishings into or out of the Unit.
3. **Notice.** Any Owner, tenant, lessee, resident, or other occupant that will be either moving into or out of any residential unit of the condominium as defined herein, must notify and schedule the Move In/Out at least one (1) week prior with the Manager.
4. **Schedule.** The date and time for a Move In/Out must be scheduled in advance, to arrange for use of the elevator for moving purposes, and to schedule a Moving Monitor to be on site. **All Move In/Outs shall take place between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, and are limited to a four (4) hour duration.** Requests to schedule a Move In/Out on a weekend or holiday may be considered, but will incur costs in addition to the Moving Fee.
5. **Moving Fee.** Owners will be charged a one-time non-refundable **Moving Fee of \$1,000.00** (one-thousand dollars) at the time they schedule any Move In with the Manager, or at the time of purchase of their Unit. The Moving Fee collected at the time of a Move In is designated to cover the expense of both the Move In and the Move Out. The fee is collected to cover costs associated with cleaning the common areas, protecting the elevator, and hiring a Moving Monitor for the scheduled time to ensure building security. Any overtime for moves taking more than four hours, additional weekend/holiday charges, or costs of excessive trash removal, if incurred, will be additional to the Moving Fee and charged separately.
6. **Use of Condominium Property.** Unit Owners are responsible for all persons involved in a Move In/Out complying with the general rules for use of the condominium property, including:
 - (a) **Doors.** No owner, resident, agent, or mover shall jam, prop open, or otherwise cause to remain open any door, including all building entrances and garage doors.
 - (b) **Staging; Obstruction.** No boxes, furniture, or other materials being moved shall be staged in a manner that interferes with access by other Owners or residents to and from any floor or access to their unit. Access to the lobby of the building must not be obstructed at any time.

- (c) **Elevator.** The building elevator must be protected with moving pads and floor protection at all times during any Move In/Out activity. The elevator must not be held or propped open at any time for any duration, and should be placed into or out of service with the proper keys as necessary.
 - (d) **Parking.** Residents and their agents must park all vehicles, including all moving vehicles, in accordance with all city regulations, parking signs, street and curb markings, and the Association's parking rules.
 - (e) **Trash.** Owners, residents and movers must promptly dispose of all packaging, packing cartons, and other moving materials from the building common areas on the day of the Move In/Out. The Condominium's trash room cannot be used for excessive packing or moving materials unless prior arrangement is made with the Manager; the cost of such additional service will be charged separately.
7. **Owner Responsibility.** It is the Unit Owners' and/or their tenants' sole responsibility to provide access for a Move In/Out to their unit and supervise the Move In/Out, regardless of the presence of a Moving Monitor or other Association personnel/agents. Unit Owners or tenants must familiarize their movers and service providers with these regulations.
 8. **Moving Monitor.** When scheduled as described above, a Moving Monitor employed by the Association or Manager for the protection of Association property, will be on site and shall do the following: (i) install/remove the moving pads in the elevator; (ii) put the elevator on and off service as necessary; (iii) review the moving rules with the owner/tenant and moving company; (iv) review the appropriate staging and parking areas with the owner/tenant and/or moving company; (v) walk the building with the owner/tenant and moving company before and after the move; (vi) regularly monitor the moving process to assure compliance with the rules; and (vii) any other task related to monitoring the move assigned by the Board of Directors.
 9. **Damage.** Owner shall be responsible for any damage made to the Condominium property during any Move In/Out. This includes damages from any person or company assisting in the move, or extraordinary cleaning to the common areas of the Condominium needed as a result of a Move In/Out. The Association may assess any costs of repairing damage to the Owner. It is the responsibility of Owner to recover any damage amounts incurred from their tenant.
 10. **Fines.** The Board of Directors may levy fines against Owners for violations of this Resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution.
 11. **Current Residents.** Owners, tenants, or residents which have been residing in a Unit prior to the effective date of this Resolution shall only be liable for one-half (50%) of the Moving Fee at the time of a Move Out.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to each Unit Owner at the address or e-mail address shown in the records of the Association, and also included in the collection of governing documents maintained and made available by the Manager. This Resolution shall be binding on each Unit Owner and all occupants as of the date of delivery of this Resolution to Unit Owners.

ATTESTED:

DocuSigned by:



05B2DD0A1FC44BD...

Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

DocuSigned by:



3F9A96B47B9746E...

Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

5/26/2022

DATED : May _____ , 2022

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Safety and Building Security”

Adopted: June 2024

RECITALS

- A. “Association” is the “*Association of Unit Owners of Flanders Lofts, a Condominium*,” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
 1. *Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership*, recorded on August 15, 1997 as document number 97123846, including any amendments thereto (the “**Declaration**”);
 2. *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to herein as the “**Bylaws**.¹”
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors of the Association (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules & Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as Assessments.
- G. ORS 65.357 charges the Board to act with reasonable and due care, and when the need arises, to prevent harm from foreseeable danger and/or criminal activity.
- H. Article 7.5 of the Association Bylaws prescribe the restrictions and requirements respecting the use of Condominium property.
- I. For the benefit and protection of the Association, individual Unit Owners, their property, and property value, and in keeping with the residential character of the Condominium, the Board deems it necessary and desirable to establish clear expectations and guidelines for the appropriate building safety and security precautions for all persons, to ensure the safety and quiet enjoyment of the Unit Owners at Flanders Lofts.

RESOLUTION

NOW, THEREFORE, it is Resolved that the Board shall adopt the rules and policies set forth below with respect to life-safety and building security for and within the Condominium, and that these policies are to be appended to the Rules & Regulations of the Association for the benefit of Owners and Residents.

Section I – Condominium Systems

1. **Building security & life-safety systems.** The Association will maintain the building-wide security and life-safety systems listed below (hereinafter “Systems”) and shall keep them fully functional and in good working order at all times.
 - a. Entry access control system and secure building entry doors;
 - b. CCTV video surveillance and recording system;
 - c. Fire sprinkler system (wet pipe);
 - d. Portable fire extinguishers and safety equipment;
 - e. Fire Alarm System & central station monitoring, including smoke detectors, strobes/sounders, and pull stations;
 - f. Lighting and illumination in and around General Common Elements, at all building entries, and around the building exterior;
 - g. Evacuation routes, including illuminated exit signs and safe, enclosed, fire-exit stairways;
 - h. Emergency lighting, in halls, stairways, and along evacuation routes;
 - i. Emergency responder building access;
 - j. Overhead garage vehicle door; and
 - k. Necessary telecommunication and internet connectivity.
2. **Maintenance, Inspections, and Review.** The Manager shall be made responsible for ensuring that all Systems are professionally maintained and inspected on a regular basis and as required. An annual review of all Systems that details any service providers or contracts, and documents the condition and inspection status of each System, must be completed each year in the month of September. An example of such a report is provided as Exhibit A.
3. **Commercial Units.** Fire suppression, sprinkler, and smoke detector alarm systems in each Commercial Unit are included as an essential part of building-wide Systems of the Condominium. However, the Association will neither provide nor manage the access-control for street entry doors of any Commercial Unit.
4. **Video System.** Closed-circuit video recordings within and around the general common elements, each residential hallway, garages, entrances, and the building exterior will be electronically stored and retained for no more than 90 days. There is no audio recording at any time in any location. Access to video system controls and stored surveillance video is limited to the Manager, the Board, and authorized representatives. Sharing of video footage for crime prevention and enforcement purposes, including with law enforcement, may occur as required.
5. **No adjustments to Systems.** Absolutely no modification, removal, or disabling of any component of any System is permitted without the express approval of the Board.

6. **Emergency and Disaster Preparedness.** A form of a building emergency plan, which should be updated regularly, including important contacts and an emergency resident reunion plan, is provided as Exhibit B.
7. **Crime Prevention and Community Security Patrols.** As practical, the Association may contribute financially towards, contract for, or participate with any well-organized community-based organization or program that provides additional private security patrols around the immediate local neighborhood and to the Condominium building.

Section II – Building Access and Entry Procedures

8. **Building doors.** The Condominium building is to remain secure at all times, with entry doors locked and access restricted always. No owner, guest, resident, agent, or service provider shall jam, prop open, or otherwise cause to remain open any door, including all building entrances and garage doors, at any time.
9. **Automatic Garage Door.** Owners, drivers, tenants, guests, or any person who causes the overhead garage door to open must remain at the garage entrance and monitor the entrance until the overhead garage door is completely closed and should not allow tailgating of persons or vehicles into the parking area.
10. **Key lock boxes.** Spare key lock-boxes, like and including those used by realtors, are not permitted to be attached to any part of the Condominium building and may not be located in any exterior place.
11. **Unknown Persons.** Owners and residents should not admit to the building any individual calling from the front door call box unless personally known to them. Always verify call box entries before granting access. Do not allow unknown persons to follow or tailgate you when entering into the building.
12. **Deliveries and Packages.** Regular and trusted parcel delivery services (e.g. US Postal Service, UPS, Fedex, and Amazon) will have methods of building and elevator access established by the Manager, who will make best efforts to provide such consistent access to them. Deliveries should be brought to the recipient's unit door and may not be left in the building lobby. All other deliveries, such as private messengers or food delivery services, must use the front door call box to contact the resident and gain one-time access. It is not permitted to share an individual owner's PIN code with any parcel, courier, or delivery service. Owners and residents are encouraged to ensure that their correct contact phone number is registered with the Manager for the call box.

Section III – Keys, fobs, and PIN Codes

13. **Key Control.** The Manager shall be made responsible for controlling, managing, and accounting for all forms of individual access keys provided to current owners, residents, and authorized service providers, including physical door keys, electronic key fobs, and/or access PIN codes ("Keys"). A regular review and audit of Keys should be performed to ensure that there is no misuse or abuse, and that un-authorized users do not have such Keys permitting building access.
14. **PIN Code Management.** PIN codes for building access may be obtained from the Manager and are for personal and exclusive use by the individual Unit Owner. Personal PIN codes may not be used by or shared with renters, tenants, guests, delivery services, household workers, contractors, or any service provider. Misuse of PIN codes may result in revocation of PIN code access.

15. **New Owners.** Upon title transfer, each new owner should contact the Manager to transfer key registration, order any additional key fobs, program call box phone numbers, and establish door access PIN codes.
16. **Lost or stolen key.** Immediately report any lost or stolen key to the Manager who will deactivate and monitor the lost key for abuse. Replacement key fobs will be provided to Owners at a discounted price to a new or additional key fob.

Section IV – Condominium Safety

17. **Respectful Conduct.** Owners and all residents are prohibited from harassing, threatening the safety, targeting, or intimidating other owners, residents, lessees, tenants, property management employees, vendors, board directors, and/or committee members, whether orally, in writing, physically, or with pets that exhibit aggressive or threatening behavior towards others.
18. **Notice of Rental or Lease.** Immediately upon the rental or lease of any unit, the Unit Owner shall promptly inform the Association or the Manager of the name and contact information of the lessee or tenant, providing a completed Statement of Occupancy Information. [Bylaws Article 6.6]
19. **Movers, Contractors, and Service Providers.** When engaging third-party service providers, moving companies, contractors or any other professional, the unit owner will remain responsible for maintaining building security, protecting the elevator, and all other ‘Use of Condominium Property’ obligations.
20. **Open Fires Prohibited.** Open fires in any outdoor fire pit, grill, bowl, or fireplace, of wood, paper, charcoal, or any solid fuel that creates sparks or embers, are strictly prohibited in all areas of the condominium. Propane grills, heat lamps, or other gas devices are permitted with not greater than 20-lb portable gas canisters.
21. **Video doorbells.** Personal video doorbells or any device capable of capturing or recording video or audio, are not permitted in General Common Elements of the condominium building, including in residential hallways or outside of residential unit doors. [Article 7.2(c) of the Bylaws]
22. **Roof and mechanical rooms.** Access to the building roof, elevator equipment room, or other mechanical areas of the condominium building is restricted to the Manager, Board, insured service professionals, or other authorized persons.
23. **Report incidents.** Observations or occurrences of property theft, trespassing, vandalism, or building damage should be reported to the Manager promptly for tracking, maintenance, and/or investigation.
24. **Garage & Vehicle Security.** The common elements of the garage are inherently less secure than other areas of the Condominium. Owners and residents must remain alert in the garage and should be aware of the potential risks of property damage or theft. The Association can accept no responsibility for damage to or theft of vehicles or personal property kept within the garage.

Section V – General

25. **Fees.** Fees for service, PIN code management, new or replacement key fobs, garage door remotes, or related items may be adjusted periodically and will be collected by the Manager. An example schedule of fees is provided as Exhibit C.

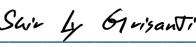
26. **Owner Cooperation.** The owner of each unit is ultimately responsible for any renter, tenant, or lessee who violates any portion of the above rules, the Governing Documents, or the Rules & Regulations of the Association. Owners that rent or lease a unit shall cooperate directly with the Board and Manager in resolving complaints or concerns with respect to such tenants or leaseholders who may be in violation or otherwise creating a security or safety issue.
27. **Fines.** The Board may assess fines against a unit owner for violations of this resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution. Unit owners are responsible for violations by any renter, tenant, guest, or family member, of any portion of the Governing Documents, this resolution, or the Rules & Regulations of the Association.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to each Unit Owner at the preferred postal address or e-mail address shown in the records of the Association, and this resolution shall be included in the collection of governing documents and rules & regulations which are maintained and made available by the Manager. This resolution 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.

ATTESTED:

DocuSigned by:

BRIAN EMERSON
Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

DocuSigned by:

Sue L. Grisanti
Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

DATED : June 11 , 2024

Exhibit A - Annual Security and Life-Safety Systems Review

Date of Survey: September _____

System Description		Support and Service Details	Operational Status Testing & Inspection
A	Entry access control system and secure building entry doors	Metro Doorking DKS-1891 with Cloud Account Manager Data service \$55/month	
B	Video surveillance and recording system. Camera coverage on each floor in general common elements, at building entrances, in garage, and around condominium exterior.	Metro ExacqVision (license fee)	
C	Fire sprinkler system (wet pipe)	Wyatt Fire	
D	Portable fire extinguishers	T.B.D.	
E	Fire Alarm System & central station monitoring, including smoke detectors, strobes/sounders, and pull stations	Action Technology Systems 503-231-1992 Act# 330126 Bosch FPD7024 Fire Control/Communicator Monitoring: \$28.30/mo	
F	Lighting and illumination in general common elements, at all building entries, and around the building exterior	Bluestone / HOA Services	
G	Evacuation routes with illuminated exit signs and safe, enclosed, fire-exit stairways.		
H	Emergency lighting in hallways, stairways, and along evacuation routes.	Action Technology	
I	Emergency-responder building access	PF&R / Fire Inspector Gabe Sansone 503-278-9056	
J	Overhead garage vehicle door	Metro Elite Access System	
K	Telecommunication and internet connectivity	AllStream and Comcast 2 landlines + 1 VoIP Combined ~ \$400/month	

Exhibit B - Emergency Plan and Contact Information

Exhibit C - Suggested Price List

As of June 2024

New or additional electronic key fob (includes programming, postage & handling)	\$65 each
Replacement for a lost or stolen electronic key fob (deactivate & monitor the lost fob)	\$15 each
Overhead garage-door remote control device (includes postage & handling)	
Establish, change, or reprogram an individual access PIN code	One per year: No Charge Each additional: \$25 per PIN

ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

Resolution of the Board of Directors

“Use of Parking Garage and Trash & Recycling Area”

Adopted: June 2024

RECITALS

- A. “Association” is the “*Association of Unit Owners of Flanders Lofts, a Condominium,*” which is also an Oregon nonprofit corporation.
- B. The Association is governed by the following documents, recorded in the records of Multnomah County, Oregon, referred to herein as “**Governing Documents**”:
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 - 2. *Bylaws of the Association of Unit Owners of Flanders Lofts, a Condominium*, recorded as Exhibit C to the Declaration with the same document number; along with the First Amendment to the Bylaws of the Association, recorded on March 16, 2005; and the Second Amendment to the Bylaws of the Association, recorded on February 11, 2013, collectively shall be referred to herein as the “**Bylaws**. ”
- C. The Association is also governed by the Oregon Condominium Act, ORS Chapter 100.
- D. ORS 100.405(3), Article 14.3 of the Declaration, and Article 3.7 of the Bylaws vest the Board of Directors of the Association (the “**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 100.405(3) and Article 7.5(l) of the Bylaws empower the Board to adopt Rules and Regulations.
- F. ORS 100.450(5) and Article 5.6 of the Bylaws provide that fees, late charges, fines, and interest imposed by the Association are enforceable as Assessments.
- G. Article 7.5 of the Association Bylaws prescribe the restrictions and requirements respecting the use of Condominium property.
- I. Article 5 of the Declaration provides that the Condominium pathways, driveways, apron and garage, except for individually marked parking spaces, are General Common Elements.
- H. Article 6.2 of the Declaration, as amended, provides that each Residential Unit must be assigned one parking space as a Limited Common Element and that parking spaces within the Flanders Loft garage, as shown on the plat which was recorded with the Declaration, shall each pertain to a single unit indicated in Exhibit B of the Declaration.
- I. For the benefit of the Association and Unit Owners, in order to manage limited parking resources, ensure fair access for all residents, and maintain the safety, security, convenience, and aesthetics of the condominium community, the Board deems it necessary and desirable to establish clear expectations and guidelines for the appropriate use of the Common Elements of the garage and recycling areas.

RESOLUTION

NOW, THEREFORE, it is Resolved that the Board shall adopt the rules and policies set forth below with respect to the Common Elements of the garage within the Condominium, and that these policies are to be appended to the Rules & Regulations of the Association for the benefit of Owners and Residents.

1. **Garage; Parking.** Residents, their guests, agents or vendors must park all vehicles in accordance with all city regulations, parking signs, street and curb markings, and these Association parking rules.
2. **Assigned Parking.** All parking spaces within the garage are private, marked, numbered, and assigned to each individual Owner in the Declaration. Each space assignment is further described on the Plat and parking space schedule included as Exhibit A. [Article 6.2 of the Declaration]
3. **Towing Policy.** The Association or Manager may arrange to have towed from the garage, at the vehicle owner's expense, any vehicle that is parked in violation of these parking policies.
4. **Vehicle Size Limits.** Parked vehicles must fit within the marked limits of the painted lines that define each parking space. Individual spaces vary in size with widths ranging from 7-feet to 8.5-feet, and lengths of 15-feet to 18-feet. The maximum length for any vehicle to be parked in the garage is 18-feet. [Plat and Survey of Flanders Lofts]
5. **Obstruction.** Building common areas including the garage, apron, and driveway shall be left free for the equal enjoyment of all owners and occupants, and shall remain unobstructed at all times. No vehicle may remain parked in the Condominium parking garage in a way as to obstruct access or free passage into or out of the garage or impede the access to any parking spot. [Article 7.5(b) of the Bylaws]
6. **Storage Restrictions.** Storing personal or household items in any parking space of the garage beyond that typically expected with vehicle storage, or in any way that causes a hazard, is prohibited. This includes furniture, storage containers, luggage, cardboard boxes, construction materials, debris, or large equipment. No containers larger than 1-gallon of flammable fluids may be stored in the garage. Items weighing over 50 pounds must be readily movable and on wheels. [Article 7.5(i) of the Bylaws]
7. **Wall Mounted Storage.** Cabinets, racks, or shelving that are to be affixed to the walls or any structural element of the garage must have such plans reviewed, permitted, and approved in advance through the Association's architectural review committee (ARC) process. Wall mounted bike racks that are installed in the General Common Element adjacent to the lobby and elevator door are for the shared use of all Owners and Residents. [Article 7.5(d) of the Bylaws]
8. **Common Elements Maintenance.** All maintenance, repairs, and replacements to the general and limited common elements shall be made by the Association and charged to all unit owners as a common expense. Each unit owner shall keep the limited common elements pertaining to their unit in a neat, clean, and sanitary condition. Trash or debris on any Common Element shall be cleared promptly. [Article 7.1 (b) of the Bylaws]
9. **Nuisance and Hazard Prevention.** No personal property, including construction materials, debris, or waste/recycling, may be stored or staged on a General or Limited Common Element in a manner that creates a nuisance, hazard, fire risk, or otherwise interferes with access by owners and residents to and from any parking space, the garage entrances or exits, or access to the building lobby.
10. **Building Doors.** The Condominium building is to remain secure at all times, with doors locked and access restricted. No owner, guest, resident, agent, or service provider shall jam, prop open, or

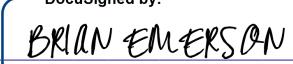
otherwise cause to remain open any door, including all building entrances and garage doors, at any time. Report any damaged, non-functioning, or otherwise unsecured door to the Manager immediately.

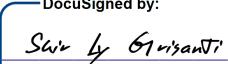
11. **Automatic Garage Door.** Owners, drivers, tenants, guests, or any person who causes the overhead garage door to open must remain at the garage entrance and monitor the entrance until the overhead garage door is completely closed and should not allow tailgating of persons or vehicles into the parking area.
12. **Garage & Vehicle Security.** The common elements of the garage are inherently less secure than other areas of the Condominium. Owners and residents must remain alert in the garage and should be aware of the potential risks including property damage or theft. The Association can accept no responsibility for damage to or theft of vehicles or personal property kept within the garage. Observations or occurrences of property theft, trespassing, vandalism, or building damage should be reported to the Manager promptly for tracking, maintenance, and/or investigation. Call Portland Police at 9-1-1 if appropriate.
13. **Idling and Vehicle Maintenance.** Extended engine idling or any activity that could create excess fumes, noise, odors, or mess is prohibited. Owners are responsible for the proper cleanup of any fluids or lubricants. [Article 7.5(c) of the Bylaws]
14. **Trash Dumping.** Improper dumping of trash, rubbish, personal property, or debris in a Common Element, adjoining easement, or otherwise outside the designated sanitary containers is prohibited. All waste must be kept in sanitary containers within the designated trash and recycling area. [Article 7.5(i) of the Bylaws]
15. **Construction and Packing Debris.** The trash room and sanitary containers are for household rubbish and recycling only. Construction debris, discarded furniture, and excessive packing materials are prohibited unless arranged in advance with the Manager, with additional hauling costs charged to the Unit Owner.
16. **Garage Easement.** In accordance with our easement agreement with the owners of 422 8th Ave., access to and from the trash and recycling containers located within the Flanders garage shall not be restricted.
17. **Responsibility.** Owners and residents must exercise due care with Association property and all Common Elements. Costs for repair, removal of excess trash or dumped items, cleaning, or any other remediation for damage caused by improper or careless use or dumping, will be assessed against the Unit Owner. Any fees assessed to the Association by adjoining property owners for dumping will be assessed to the owner of the unit from which the trash or debris was dumped.
18. **Owner Cooperation.** The owner of each unit is ultimately responsible for any renter, tenant, or lessee who violates any portion of the above rules, the Governing Documents, or the Rules & Regulations of the Association. Owners that rent or lease a unit shall cooperate directly with the Board and Manager in resolving complaints or concerns with respect to such tenants or leaseholders who may be in violation or otherwise creating an issue.
19. **Fines.** The Board may assess fines against a unit owner for violations of this resolution in accordance with the Association's current Schedule of Fines as described within the Enforcement Resolution. Unit

owners are responsible for violations by any renter, tenant, guest, or family member, of any portion of the Governing Documents, this resolution, or the Rules & Regulations of the Association.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to each Unit Owner at the preferred postal address or e-mail address shown in the records of the Association, and this resolution shall be included in the collection of governing documents and rules & regulations which are maintained and made available by the Manager. This resolution 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.

ATTESTED:

DocuSigned by:

BRIAN EMERSON
Chairperson, Board of Directors,
AUO of Flanders Lofts, A Condominium

DocuSigned by:

Sue L. Giusanti
Secretary, Board of Directors,
AUO of Flanders Lofts, A Condominium

DATED : June 11 , 2024

Exhibit A - Plat Map and Schedule of Parking Spaces

(includes Exhibit 'B' of the Declaration)

Governing Documents

1. **BYLAWS of The Association of Unit Owners of Flanders Lofts, a Condominium**

Recorded August 15, 1997 with the Multnomah County Clerk – 32 pages

- First Amendment to the Bylaws - Article 10.6 "*Audible Interior Alarm Systems*"
- Second Amendment to the Bylaws – Article 7.5(d) "*Animals*"

2. **DECLARATION Submitting Flanders Lofts, a Condominium to Condominium Ownership**

Recorded August 15, 1997 with the Multnomah County Clerk – 22 pages

- Amendment to the Declaration – *Swapping parking spaces #14 and #1*

The Association is also governed by the **Oregon Condominium Act, [ORS Chapter 100](#)**.

EXHIBIT C

**BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
FLANDERS LOFTS, A CONDOMINIUM**

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**BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF
FLANDERS LOFTS, A CONDOMINIUM**

ARTICLE 1.

PLAN OF CONDOMINIUM OWNERSHIP

1.1 **Name and Location.** These are the bylaws of the ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM (the "Association"). Flanders Lofts, A Condominium (the "condominium") is located in the City of Portland, Multnomah County, Oregon, and has been submitted to the Oregon Condominium Act by a declaration recorded simultaneously with these bylaws (the "Declaration"). The location of the condominium is more specifically described in the Declaration.

1.2 **Principal Office.** The principal office of the Association shall be located at 1882 SW Hawthorne Terrace, Portland, Oregon 97201, or such other address as may be designated by the board of directors from time to time.

1.3 **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.

1.4 **Applicability of Bylaws.** The Association, all unit owners, and all persons using the condominium property shall be subject to these bylaws and to all rules and regulations which may be adopted pursuant to these bylaws.

1.5 **Composition of Association.** The Association shall be composed of all the unit owners of the condominium, including Flanders Lofts, LLC and its successors and assigns (the "Declarant"), and the Association itself, to the extent any of these own any unit or units of the condominium.

1.6 **Incorporation.** The Association shall be incorporated under the Oregon Non-Profit Corporation Law. The Articles of Incorporation of the Association shall be consistent with the Declaration and these bylaws, and these bylaws shall constitute the bylaws of the incorporated association.

1.7 **Definitions** The definitions contained in or adopted by the Declaration shall be applicable to these bylaws

ARTICLE 2.

MEETINGS OF ASSOCIATION

2.1 Place of Meetings The Association shall hold meetings at such suitable place convenient to the unit owners as may be designated by the board of directors from time to time

2.2 Organizational and Turnover Meeting. Within three (3) years after the date of conveyance of the first unit to a person other than the Declarant, or within ninety (90) days after Declarant has sold and conveyed seventy-five percent (75%) or more of the units in the condominium, whichever is earlier, the Declarant shall call the first meeting of the unit owners to organize the Association and to elect directors. Notice of such meeting shall be given to all owners as provided in Section 2.5. If Declarant fails to call the meeting, the meeting may be called and notice given by any unit owner or mortgagee of a unit. The expense of giving notice shall be paid or reimbursed by the Association. At the meeting, Declarant shall deliver to the Association such information and documents as may be required by the Oregon Condominium Act. Nothing in this section shall be construed as preventing the Declarant from calling the organizational and turnover meeting prior to such date, or from calling informal, informational meetings of the unit owners.

2.3 Annual Meetings. The annual meetings of the Association shall be held in the month of January or February at such hour and on such date as the chairman may designate, or if the chairman should fail to designate such date by the first day of February, then on the last Tuesday in February. The annual meetings shall be for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting

2.4 Special Meetings. Special meetings of the Association may be called by the chairman or secretary or by a majority of the board of directors, and must be called by such officers upon receipt of a written request from at least thirty percent (30%) of the unit owners stating the purpose of the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

2.5 Notice of Meetings. Notice of all meetings of the Association stating the time and place and the objects for which the meeting is being called shall be given by the chairman or secretary. Such notice shall be in writing and mailed to each unit owner at his address as it appears on the books of the Association and to any first mortgagee requesting such notice not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived by any unit owner before or after meetings. When a meeting is adjourned for less than 30 days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place

2.6 Voting. Each unit owner shall have a vote equal to the unit's allocation of undivided interest in the common elements of the condominium. The Declarant shall be entitled to vote as the unit owner of any then existing units retained by the Declarant, and the board of directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the board of directors shall not be entitled to vote such units in any election of directors.

2.7 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, at any time prior to the meeting. The presence of an owner at a meeting shall automatically revoke such owner's proxy for all matters which come before the meeting while the owner is present. 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 such owner's 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 under these bylaws 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.

2.8 Fiduciaries and Joint Owners. 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 in such capacity, whether or not the same shall have been transferred to his or her name; provided, that such person shall satisfy the secretary that he or she is the executor, administrator, guardian or trustee, holding such unit in such capacity. Whenever any unit is owned by two or more persons jointly, according to the records of the Association, the vote or proxy 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.

2.9 Landlords and Contract Vendors. Unless otherwise expressly stated in the rental agreement or lease, all voting rights allocated to a unit shall be exercised by the landlord if the rental agreement or lease has an original term of ten (10) years or less, or by the tenant if the rental agreement or lease has an original term of more than ten (10) years. Unless otherwise stated in the contract, all voting rights allocated to a unit shall be exercised by the vendee of any recorded land sale contract on the unit.

2.10 Quorum of Unit Owners. At any meeting of the Association, members holding fifty percent (50%) of the voting rights, present in person or by proxy, shall constitute a quorum. The subsequent joinder of a unit owner in the action taken at a meeting by signing and concurring in the minutes of the meeting 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 a 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.

2.11 **Majority Vote.** The vote of the holders of more than fifty percent (50%) of the voting rights, present in person or by proxy at a meeting at which a quorum is constituted, shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the Declaration or by these bylaws.

2.12 **Order of Business.** The order of business at annual meetings of the Association shall be:

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

2.13 **Ballot Meetings.** At the discretion of the board of directors, any matter which might come before the Association at a meeting, including election of directors, may be determined by proxy ballot, rather than at a formal gathering. Ballots shall be sent to all unit owners in the same manner as notice of meetings, with a specified deadline for return of ballots. Ballots for such meetings must be properly executed and returned in sufficient quantity to constitute a quorum, and determination of the matter presented shall be based upon the required percentage of ballots returned, unless approval of a specified percentage of all voting rights is required by law, the Declaration or these bylaws. The vote of a ballot meeting shall be determined by the board of directors within 48 hours of the deadline for return of ballots. Within 10 days after the ballots have been counted, 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.

ARTICLE 3.

BOARD OF DIRECTORS

3.1 Number and Qualification. The affairs of the Association shall be governed by a board of directors composed of three (3) to five (5) persons, as provided in Sections 3.2 and 3.4 of this Article. All directors, other than interim directors appointed by Declarant, shall be owners or co-owners of units of the condominium. For purposes of this section, the officers of any corporate owner and the partners of any partnership shall be considered co-owners of any units owned by such corporation or partnership.

3.2 Interim Directors. Upon the recording of the Declaration submitting the condominium to the Oregon Condominium Act the Declarant shall appoint an interim board of three (3) directors, who shall serve until replaced by Declarant or their successors have been elected by the unit owners as provided below.

3.3 Transitional Committee. Unless the organizational and turnover meeting described in Section 2.2 above has already been held, Declarant shall call a meeting of the unit owners for the purpose of forming a transitional committee. The meeting shall be called within sixty (60) days of conveyance to persons other than Declarant of fifty percent (50%) of the units. Declarant shall give notice of the meeting as provided in Section 2.5 above. The committee shall consist of two or more members elected by the unit owners other than Declarant and not more than one representative of Declarant. The members shall serve until the organizational and turnover meeting. The transitional committee shall be advisory only and its purpose shall be to enable 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 Declarant must turn over to the unit owners at the time of the organizational and turnover meeting. If Declarant fails to call the meeting to elect a transitional committee within the time specified, the meeting may be called and notice given by any unit owner.

3.4 Election and Term of Office. At the first organizational and turnover meeting called by Declarant pursuant to Section 2.2 of these bylaws, the interim directors shall resign and three (3) successors shall be elected, one (1) to serve until the next annual meeting and two (2) to serve until the second annual meeting after their election. Thereafter, at the expiration of the initial term of office of each respective director, his or her successor shall be elected to serve for a term of two years, so that the term of not less than one-third of the directors shall expire annually. Directors shall hold office until their respective successors have been elected by the unit owners. Election shall be by plurality. Upon a majority vote of the membership present in person or by proxy at a meeting called for such purpose, the number of directors may be increased to five (5) directors. Upon such increase, two additional directors shall be elected, one to serve until the next annual meeting and the other to serve until the second annual meeting after their election. Thereafter, each successor shall be elected to serve for a two-year term.

3.5 Vacancies. Vacancies in 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 the 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 to fill the unexpired term at the next annual meeting of the Association or the next special meeting of the Association called for that purpose. Vacancies in interim directors shall be filled by Declarant.

3.6 Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors, other than interim directors, may be removed with or without cause by a majority vote of the unit owners present in person or by proxy, and a successor shall be elected at that meeting to fill the vacancy thus created. The notice of any such meeting shall state that such removal is to be considered, and any director whose removal has been proposed shall be given an opportunity to be heard at that meeting.

3.7 Powers and Duties. The board of directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or by the Declaration or by these bylaws may not be delegated to the board of directors by the unit owners. The powers and duties to be exercised by the board of directors shall include, but shall not be limited to the following:

(a) Operation, care, upkeep, maintenance, repair and replacement of the general and limited common elements.

(b) Determination of the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures.

(c) Adoption of a budget for the Association, and assessment and collection of the common expenses.

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

(e) 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; provided, however, the board may not incur or commit the Association to incur legal fees in excess of \$2,500 for any specific matter unless the unit owners have enacted a resolution authorizing the incurring of such fees by a vote of seventy-five percent (75%) of the voting rights present in person or by proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to legal fees incurred in defending the Association and the board of directors from claims or litigation brought against them.

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

(g) Preparing or causing to be prepared and filed any required income tax returns or forms for the Association.

(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.

(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of directors), or otherwise dealing with units of the condominium acquired by the Association or its designee on behalf of all the 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 unit owners have enacted a resolution authorizing the project by a vote of seventy-five percent (75%) of the voting rights present in person or by proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to maintenance, repairs or replacement undertaken pursuant to paragraph (a) above. The limitation set forth in this paragraph shall increase by \$1,000 on each fifth anniversary of the recording of the Declaration.

(l) Designating one or more committees which, to the extent provided in the resolution designating the committee, shall have the powers of the board of directors in the management of the affairs of the Association. At least one member of each committee shall be a member of the board of directors.

(m) Enforcement by legal means of the provisions of the Oregon Condominium Act, the Declaration, these bylaws and any rules and regulations adopted hereunder.

(n) The filing of an Annual Report and any amendment in accordance with ORS 100.250.

3.8 Managing Agent or Manager. On behalf of the Association, the board of directors may employ or contract for a managing agent or a manager at a compensation to be established by the board of directors. Any such management agreement shall be terminable by the Association upon not more than 90 days' written notice thereof. The board of directors may delegate to the managing agent or manager such duties and powers as the board of directors may authorize. In the absence of such appointment, the board of directors shall act as manager.

3.9 Contracts Entered into by Declarant or Interim Board. Notwithstanding any other provision of these bylaws, any leases or contracts (including management contracts, service contracts and employment contracts) entered into by the Declarant or the interim board on behalf

of the Association shall have a term not in excess of three years. In addition, any such lease or contract shall provide that it may be terminated without cause or penalty by the Association or board of directors upon not less than 30 days' notice to the other party given at any time after election of the permanent board at the organizational and turnover meeting described in Section 2.2 of these bylaws.

3.10 Organizational Meeting. Within fourteen (14) days following the annual meeting of the Association or following any meeting at which an election of directors has been held, the board of directors shall hold an organization meeting at such place and time as shall have been fixed by the directors at the meeting at which the election was held.

3.11 Regular and Special Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Special meetings of the board of directors may be called by the chairman and must be called by the secretary at the written request of at least two directors. Notice of any special meeting shall be given to each director, personally or by mail, telephone or telegraph at least seven (7) days prior to the day named for such meeting, and shall state the time, place and purpose of such meeting.

3.12 Open Meetings. All meetings of the board of directors shall be open to unit owners. Such meetings may be conducted by telephonic communication, except that if a majority of the units are principal residences of the occupants, then: (a) for other than emergency meetings, notice of each board of directors' meeting shall be posted at a place or places on the property at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform the unit owners of such meeting; and (b) only emergency meetings of the board of directors may be conducted by telephonic communication.

3.13 Waiver of Notice. Any director may, at any time, waive notice of any meeting of the board of directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall constitute a waiver of notice by such director, except where the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. If all of the directors are present at any meeting of the board, no notice to directors shall be required and any business may be transacted at such meeting.

3.14 Quorum of Board of Directors. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the board of directors. If at any meeting of the board of directors less than a quorum should be present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice to directors.

3.15 Compensation. No director shall receive any compensation from the Association for acting as such.

3.16 Liability and Indemnification of Directors, Officers, Manager or Managing Agent. A member of the board of directors or an officer of the Association shall not be liable to the Association or any member thereof for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for acts of gross negligence or intentional acts. In the event any member of the board of directors or any officer of the Association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law.

3.17 Insurance. The board of directors shall obtain the insurance and fidelity bonds required in Article 8 of these bylaws. In addition, the board of directors, in its discretion, may obtain such other insurance as it deems necessary to protect the interests of the Association or unit owners. The board of directors shall conduct an annual insurance review which, if appropriate, shall include an appraisal of all improvements contained in the condominium.

ARTICLE 4.

OFFICERS

4.1 Designation. The principal officers of the Association shall be the chairman, the secretary and the treasurer, all of whom shall be elected by the board of directors. The directors may appoint a vice chairman, an assistant treasurer, an assistant secretary, and such other officers as in their judgment may be necessary. The chairman shall be a member of the board of directors, but the other officers need not be directors or unit owners.

4.2 Election of Officers. The officers of the Association shall be elected annually, by the board of directors at the organization meeting of each new board 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 of directors called for such purpose.

4.3 Removal of Officers. Upon the affirmative vote of a majority of the directors, any officer may be removed either with or without cause, and a successor may be elected at any regular meeting of the board of directors, or at any special meeting of the board of directors called for such purpose.

4.4 Chairman. The chairman shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the board of directors. The chairman 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 the chairman may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

4.5 **Secretary**. The secretary shall keep the minutes of all proceedings of the board of directors and the minutes of all meetings of the Association. He or she shall attend to the giving and serving of all notices to the unit owners and directors and other notices required by law. The secretary shall keep the records of the Association, except for those of the treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the chairman. In addition, the secretary shall act as vice chairman, taking the place of the chairman and performing the chairman's duties whenever the chairman is absent or unable to act, unless the directors have appointed another vice chairman.

4.6 **Treasurer**. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of required financial statements. He or she shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the board of directors, and shall disburse funds of the Association upon properly authorized vouchers. The treasurer shall perform all other duties incident to the office of treasurer of an association and such other duties as may be assigned to him or her by the board of directors.

4.7 **Execution of Instruments**. All agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by general or special resolution of the board of directors and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the chairman. All checks shall be signed by the treasurer, or in the absence or disability of the treasurer, by the chairman or any duly elected assistant treasurer.

4.8 **Compensation of Officers**. No officer who is a member of the board of directors shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the unit owners. The board of directors may fix any compensation to be paid to any officers who are not also directors.

ARTICLE 5.

BUDGET, EXPENSES AND ASSESSMENTS

5.1 **Budget**. The board of directors shall from time to time, and at least annually, prepare a budget for the Association, estimate the common expenses expected to be incurred, less any previous overassessment, and assess the common expenses to each unit owner in the proportion set forth in the Declaration. The budget shall provide for an adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis.

5.2 Determination of Common Expenses. Common expenses shall include:

- (a) Expenses of administration.
- (b) Expenses of maintenance, repair or replacement of common elements or any other portions of the condominium required to be maintained by the Association pursuant to the Declaration or these bylaws.
- (c) Cost of insurance or bonds obtained in accordance with these bylaws.
- (d) A general operating reserve, including an amount sufficient to cover the deductible under the property damage insurance policy.
- (e) Reserve for replacements and deferred maintenance.
- (f) Any deficit in common expenses for any prior period.
- (g) Utilities for the common elements and other utilities with a common meter or commonly billed, such as trash collection, water and sewer.
- (h) Any other items properly chargeable as an expense of the Association.

5.3 Assessment of Common Expenses.

- (a) **Obligation to pay**. All unit owners shall be obligated to pay common expenses assessed to them by the board of directors on behalf of the Association pursuant to these bylaws and the Declaration. Assessments may not be waived due to limited or nonuse of the common elements, and no unit owner may offset amounts owing or claimed to be owing by the Association or Declarant to the unit owner against such unit owner's obligation to pay assessments. Subject to paragraph (c) below, Declarant shall be assessed as the unit owner of any unsold unit, but such assessments shall be prorated to the date of sale of the unit. The board of directors, on behalf of the Association shall assess the common expenses against the unit owners from time to time, and at least annually, and shall take prompt action to collect from a unit owner any common expense due which remains unpaid for more than thirty (30) days from the due date for its payment. The board may elect to round assessments to the nearest dollar.

- (b) **Initial working capital fund**. Declarant shall establish an initial working capital fund in an amount at least equal to two (2) months of estimated regular association assessments for each unit. At the time of closing of the initial sale of each unit, the purchaser shall make an initial contribution to the working capital of the Association equal to two months' regular association assessments for the unit. At the time of the organizational and turnover meeting, the Declarant shall pay such contribution for all

unsold units, but may obtain reimbursement for such sums from the purchaser upon the sale of each such unit. Such initial contribution shall be in addition to the regular monthly common expense assessment and shall not be considered as an advance payment of regular assessments. The working capital fund shall be transferred to the Association for deposit to a segregated fund at the time of the organizational and turnover meeting. Declarant may not use the working capital fund to defray any of Declarant's expenses, reserve contributions, or construction costs or to make up any budget deficits while Declarant is in control of the Association.

(c) Commencement of regular operating expense assessments. Regular monthly assessments for common operating expenses shall commence within 60 days after closing of the first sale of a unit in the condominium.

(d) Commencement of assessment for replacement reserves. Regular monthly assessments for replacement reserves as described in Section 5.5 shall commence upon the closing of the sale of the first unit in the condominium, except that Declarant may elect to defer payment of such assessments to the Association for each unit owned by Declarant until the closing of the sale of such unit.

5.4 Special or Extraordinary Assessments

(a) Special Assessments for Capital Improvements. In the case of any duly authorized capital improvement to the common elements, the board of directors may by resolution establish separate assessments for the same, which may be treated as capital contributions by the unit owners, and the proceeds of which shall be used only for the specific capital improvements described in the resolution. The Association shall not assess units owned by the Declarant for additional capital improvements to the condominium without the written consent of Declarant as long as Declarant owns more than two (2) units.

(b) Other Special or Extraordinary Assessments. In the event the board of directors determines that the assessments established upon adoption of the budget as provided in Section 5.1 above will be insufficient to pay the common expenses, or the board of directors determines that additional funds will be needed to meet unexpected or unbudgeted common expenses, the board may levy an additional special or extraordinary assessment. Such assessment shall be allocated to each unit in the same proportion set forth in the Declaration, and may be payable in installments over a specified period, in a lump sum, or in a lump sum with option to pay in installments with interest, as determined by the board of directors.

5.5 Replacement Reserves. The Declarant shall establish a reserve account for replacement of those common elements all or a part of which will normally require replacement in more than three and less than 30 years. Such reserve account shall be funded by assessments

against the individual unit assessed for maintenance of the items for which the reserve account is being established, which sums shall be included in the regular monthly assessment for the unit, except as otherwise provided in Section 5.3(b). The amount assessed shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of such items. The reserve account shall be established in the name of the Association and shall be adjusted at regular intervals to recognize changes in current replacement costs over time. The reserve account shall be used only for replacement of common elements and shall be kept separate from assessments for maintenance and operating expenses. After the organizational and turnover meeting described in Section 2.2, however, 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. Nothing in this section shall prohibit prudent investment of the reserve account. Following the second year after the organizational and turnover meeting, future assessments for the reserve account may be reduced, eliminated or increased by an affirmative vote of not less than 75 percent of all voting rights in the condominium. Assessments paid into the reserve account are the property of the Association and are not refundable to sellers of units. Sellers of the units, however, may treat their outstanding share of the reserve account as a separate item in any sales agreement. The provisions of this section shall be operable only to the extent and so long as required by the Oregon Condominium Act.

5.6 Default in Payment of Assessments In the event of default by any unit owner in paying any assessments to the Association, including assessed common expenses and any other charge imposed or levied by the Association pursuant to the provisions of the Declaration, these bylaws or the Oregon Condominium Act, such unit owner shall be obligated to pay interest at the rate of twelve percent (12%) per annum on such assessment from the due date thereof, or at such greater rate as may be established by the board of directors from time to time, not to exceed the maximum lawful rate, if any. In addition, the defaulting unit owner shall pay a late charge for any assessment not paid within ten (10) days of its due date in the amount of five percent (5%) of the delinquent payment, or such other reasonable late charge as may be established by the board of directors from time to time, together with all expenses incurred by the Association in collecting such unpaid assessments, including attorneys' fees (whether or not suit is instituted, and at trial or any appeal or petition for review therefrom). If the assessment is not paid within thirty (30) days of its due date, the board of directors may declare any remaining installments of assessments for the balance of the fiscal year immediately due and payable. The board of directors shall have the right and duty to recover for the Association such assessments, together with such charges, interest and expense of the proceeding, including attorneys' fees, by an action brought against such unit owner or by foreclosure of the lien upon the unit granted by the Oregon Condominium Act. The board of directors shall notify the holder of any first mortgage upon a unit and any eligible mortgage insurer or guarantor thereof of any default not cured within sixty (60) days of the date of default.

5.7 Foreclosure of Liens for Unpaid Assessments In any suit brought by the Association to foreclose a lien on a unit because of unpaid assessments, the unit owner shall be

required to pay a reasonable rental for the use of the unit during the pendency of the suit, and the plaintiff in such foreclosure suit shall be entitled to the appointment of a receiver to collect such rental. The board of directors, acting on behalf of the Association, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the unit. A suit or action to recover a money judgment for unpaid assessments shall be maintainable without foreclosing the liens securing the same.

5.8 Statement of Assessments. The board of directors shall advise each unit owner in writing of the amount of assessments payable by such owner, and furnish copies of each budget on which such assessments are based to all unit owners and, if requested, to their mortgagees. The board of directors shall promptly provide any unit owner who makes a request in writing with a written statement of the owner's unpaid assessments.

5.9 Priority of Liens; First Mortgages. Any lien of the Association against a unit for assessments shall be subordinate to tax and assessment liens and any prior mortgage of record. Where the purchaser or mortgagee of a unit obtains title to the unit as a result of foreclosure of a first mortgage, such purchaser or mortgagee, its successors and assigns, shall not be liable for any of the assessments chargeable to such unit which became due prior to the acquisition of title to such unit by such purchaser or mortgagee. Such unpaid share of assessments shall be a common expense and reallocated on a pro rata basis for all units, including the mortgaged unit. The purchaser or mortgagee shall not be relieved of the obligation to pay further assessments. A deed in lieu of foreclosure accepted by the holder of a first mortgage shall extinguish a lien filed by the Association to secure unpaid assessments under the circumstances described in ORS 100.465.

5.10 Voluntary Conveyance. 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 up 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 set forth in the statement.

ARTICLE 6.

RECORDS AND AUDITS

6.1 General Records. The board of directors and the managing agent or manager, if any, shall keep detailed records of the actions of the board of directors and the managing agent or manager, minutes of the meetings of the board of directors and minutes of the meetings of the Association. The board of directors shall maintain a Book of Resolutions containing the rules.

regulations and policies adopted by the Association, board of directors and the manager. The board of directors shall maintain a list of owners entitled to vote at meetings of the Association and a list of all mortgagees of units.

6.2 Financial Records. The board of directors or its designee shall keep financial records sufficient for proper accounting purposes.

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

6.4 Payment of Vouchers. The treasurer shall pay all vouchers for all budgeted items and for any nonbudgeted items up to \$1,000 signed by the chairman, managing agent, manager or other person authorized by the board of directors. Any voucher for nonbudgeted items in excess of \$1,000 shall require the authorization of the chairman. Any checks written on reserve accounts must be signed by two members of the board of directors.

6.5 Reports and Audits. An annual financial statement consisting of a balance sheet and income and expense statement for the preceding fiscal year shall be rendered by the board of directors to all unit owners and to all mortgagees of units who have requested the same within 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 or review of the books and records pertaining to the Association and furnish copies thereof to the owners and such mortgagees. Upon written request, any holder, insurer or guarantor of a first mortgage shall be entitled to an audited financial statement for the immediately preceding fiscal year at the expense of the requesting party, if one is not otherwise available.

6.6 Notice of Sale, Mortgage, Rental or Lease. Immediately upon the sale, mortgage, rental or lease of any unit, the unit owner shall promptly inform the secretary or manager of the name and address of said vendee, mortgagee, lessee, or tenant.

6.7 Availability of Records. During normal business hours or under other reasonable circumstances, the Association shall make available to unit owners, prospective purchasers and lenders, and to holders, insurers, or guarantors of any first mortgage, current copies of the Declaration, bylaws, other rules concerning the condominium, amendments or supplements to such documents, and the books, records, financial statements and current operating budget of the Association. Upon written request, the Association shall make such documents, information and records available to such persons for duplication during reasonable hours. The Association may charge a reasonable fee for furnishing copies of such documents, information or records.

ARTICLE 7.

MAINTENANCE AND USE OF CONDOMINIUM PROPERTY

7.1 Maintenance and Repair. Except as otherwise provided in Section 7.3 for damage or destruction caused by casualty:

(a) Units. All maintenance of and repairs to any unit shall be made by the owner of such unit, who shall keep the same in good order, condition and repair and shall do all redecorating, painting and staining which at any time may be necessary to maintain the good appearance and condition of his unit. In addition, each unit owner shall be responsible for the maintenance, repair, or replacement of windows and doors and the forced air furnace, any plumbing, heating or air conditioning fixtures, telephones, water heaters, fans, lighting fixtures and lamps, fireplaces, refrigerators, dishwashers, ranges, or other appliances and accessories that may be in or connected with such owner's unit. The Association, however, may repair or replace, at the Association's expense, portions of units to the extent reasonably necessary for the preservation of the common elements in good condition and working order.

(b) Common elements. All maintenance, repairs and replacements to the general and limited common elements shall be made by the Association and shall be charged to all the unit owners as a common expense. Each unit owner, however, shall keep the limited common elements which pertain to such owner's unit in a neat, clean and sanitary condition.

7.2 Additions, Alterations or Improvements.

(a) A unit owner may make any improvements or alterations to such owner's unit that do not impair the structural integrity or mechanical systems of the condominium or lessen the support of any portion of the condominium.

(b) After acquiring an adjoining unit or an adjoining part of an adjoining unit, a unit owner 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 such owner's 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.

(c) A unit owner shall make no repair or alteration or perform any other work on such owner's unit which would jeopardize the soundness or safety of the property, reduce its value, 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.

(d) 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

7.3 Damage or Destruction by Casualty of Condominium Property. In the case of damage or destruction which affects a material portion of the project, timely written notice shall be given to the unit owners and their mortgagees and any eligible mortgage insurer or guarantor and the following provisions shall apply:

(a) In the event of damage or destruction by casualty of condominium property, the damage or destruction shall be repaired, reconstructed or rebuilt unless, within fourteen (14) days of such damage or destruction, the board of directors or more than ten percent (10%) of the unit owners shall have requested a special meeting of the Association. Such special meeting must be held within sixty (60) days of the date of damage or destruction. At the time of such meeting, unless unit owners holding ninety percent (90%) of the voting power, whether in person, by writing or by proxy, with the approval of mortgagees as required by the Declaration, vote not to repair, reconstruct or rebuild the damaged property, the damage or destruction shall be repaired, reconstructed or rebuilt. If the damage or destruction is not repaired, reconstructed or rebuilt, then the property shall be removed from condominium ownership in the manner provided in the Oregon Condominium Act.

(b) The Association shall be responsible for repairing, reconstructing or rebuilding all such damage or destruction to the common elements and, to the extent of the Association's insurance coverage and any deductible under such policies, all such damage or destruction to the units. Each unit owner shall be responsible for such repairing, reconstructing or rebuilding of his unit as is not so covered by the Association's insurance.

(c) If, due to the act or neglect of a unit owner, or of a member of such owner's family or household pet or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the common elements or to a unit owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such unit owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Association, to the extent not fully covered by the Association's insurance.

(d) In the event any portion of the insurance proceeds paid to the Association is not used to repair, reconstruct or rebuild the damaged or destroyed property, the Association shall distribute the proceeds among the unit owners and their mortgagees (as

their interests may appear) in the same proportion as common expenses are shared, unless the property is removed from unit ownership. If the property is removed from unit ownership, the insurance proceeds, together with the proceeds from the sale of the property, shall be distributed to the unit owners and their mortgagees (as their interests may appear) in the manner described in the Oregon Condominium Act.

7.4 Condemnation. If any portion of the condominium is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, notice of the proceeding or proposed acquisition shall promptly be given to each unit owner and to each mortgagee and any eligible mortgage insurer or guarantor. The Association shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of any portion of the common elements, and each unit owner appoints the Association to act as his attorney-in-fact for such purposes. All compensation, damages or other proceeds of the taking, other than any award for moving expenses of specific unit owners, shall be payable to the Association and allocated and distributed as provided in this Section 7.4.

(a) Complete Taking. If the entire condominium property is taken, or if unit owners holding ninety percent (90%) of the voting power agree that such substantial portion of the condominium has been taken as to make the project obsolete, then the property shall be deemed removed from unit ownership. In such event, any proceeds of the condemnation paid to the Association, together with any other proceeds upon sale of the remaining condominium property, shall be distributed among the unit owners and their mortgagees, as their interests may appear, in accordance with the provisions of the Oregon Condominium Act.

(b) Partial Taking. If less than the entire condominium property is taken and the property is not determined to be obsolete as provided in paragraph (a) above, then as soon as practicable the board of directors shall, reasonably and in good faith, allocate the award among the units in accordance with the reduction in the value of each unit and its interest in the common elements, compared to the total reduction in value of all units and their interest in the common elements. In the event any unit owner or mortgagee objects to the allocation determined by the board of directors, the matter shall be submitted to arbitration in accordance with the rules of the American Arbitration Association. The cost of such determination shall be paid out of the proceeds of the condemnation. Any portion of the award allocated to a unit owner under this paragraph shall be paid first to all mortgagees and holders of liens on the unit owner's interest in accordance with the existing priorities, and the balance to the unit owner. If any reconstruction or repair is undertaken as a result of the condemnation, the board of directors may retain and apply such portion of each unit owner's share of the award as is necessary to discharge the owner's liability for any special assessment arising from such reconstruction or repair.

7.5 Restrictions and Requirements Respecting Use of Condominium Property. The following restrictions and requirements are in addition to all other restrictions and requirements contained in the Declaration and these bylaws:

(a) **Use.** Units may only be used for those purposes authorized by Article 10 of the Declaration.

(b) **Use of common elements.** The common elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of the units. The use, operation and maintenance of the common elements shall not be obstructed, damaged or unreasonably interfered with by any unit owner.

(c) **Offensive or unlawful activities.** No noxious or offensive activities shall be carried on in any unit nor shall anything be done in or placed upon any unit which interferes with or jeopardizes the enjoyment of other units or the common elements or which is a source of annoyance to residents. Unit occupants shall exercise extreme care not to make noises which may disturb other unit occupants, including the use of musical instruments, radios, televisions and amplifiers. No unlawful use shall be made of the condominium nor any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(d) **Animals.** No animals or fowls shall be raised, kept or permitted within the condominium or any part thereof, except domestic dogs, cats, or other household pets kept within a unit ~~and weighing not more than fifteen (15) pounds.~~ No such dogs, cats or pets shall be permitted to run at large nor shall be kept, bred or raised for commercial purposes or in unreasonable numbers. Any inconvenience, damage or unpleasantness caused by such pets shall be the responsibility of the respective owners thereof, and owners shall be responsible for removal of wastes of their animals. All dogs shall be carried or kept on a leash while outside a unit. No pet shall be permitted to cause or create a nuisance or unreasonable disturbance or noise. A unit owner may be required to remove a pet upon receipt of the third notice in writing from the board of directors of violations of any rule, regulation or restriction governing pets within the condominium.

Refer to
the 2nd
amendment
of the Bylaws

(e) **Exterior lighting or noisemaking devices and antennas.** Except with the consent of the board of directors of the Association or manager, no exterior lighting or noisemaking devices shall be installed or maintained on any unit and no antennas or transmitting towers shall be affixed to the general or limited common elements.

(f) **Windows, balconies, decks and outside walls.** In order to preserve the attractive appearance of the condominium the board of directors of the Association or the manager may regulate the nature of items which may be placed in or on windows, balconies, decks and the outside walls so as to be visible from other units, the common

elements, or outside the condominium. Garments, rugs, laundry and other similar items may not be hung from windows, facades, balconies or decks.

(g) Leasing and rental of units. Except for Commercial Units, no unit owner may lease or rent less than his or her entire unit and no unit owner may rent such owner's unit for transient or hotel purposes, or for a period of less than seven (7) days. All leases or rentals shall be by written lease agreement, which shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and these bylaws, and that any failure by the lessee or tenant to comply with the terms of such documents shall be a default under the lease. If the board of directors finds that a lessee or tenant has violated any provision of the Declaration, these bylaws or the rules and regulations, the board may require the unit owner to terminate such lease or rental agreement. Other than the foregoing, there is no restriction on the right of any unit owner to lease or rent such owner's unit.

(h) Signs. No signs may be attached to the outside of the building or displayed to public view, except signs placed on or in the windows and doors of Commercial Units, signs used by Declarant to advertise units for sale or lease or signs otherwise approved by the Association and in compliance with governmental regulations. Identification signs may be placed on the doors or adjacent walls of Residential Units, subject to regulations relating to size and appearance that may be adopted by the Association.

(i) Trash. No part of any unit or any part of the common elements shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. No garbage, trash or other waste shall be kept or maintained on any part of the property except in sanitary containers in the designated areas. Trash or debris may not be dumped onto the adjoining easement area. Any fees assessed to the Association by the adjoining owner for such dumping will be assessed to the owner of the unit from which the trash or debris was dumped.

(j) Insurance. 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 owner shall permit anything to be done or kept in his or her unit or in the common elements which will result in cancellation of insurance on any unit or any part of the common elements.

(k) Water beds. If any water beds are placed in a unit, the unit owner shall carry insurance covering damage caused by the water bed and shall be responsible for all damages to any unit or the common elements which might be caused by the water bed.

(l) Association rules and regulations. In addition, the board of directors from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of the units and common elements as it may

deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the condominium property. Such action may be modified by vote of not less than seventy-five percent (75%) of the voting rights present, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation or rules and regulations will be under consideration. 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; provided, however, that no such rule or regulation shall be applicable to the Commercial Units that are not used for residential purposes unless approved in writing by the owners of the Commercial Units that are not used for residential purposes.

7.6 Abatement and Enjoining of Violations. The violation of any provision of the Declaration or these bylaws, of any rule or regulation adopted pursuant to these bylaws, or of any decision of the Association made pursuant to such documents, shall give the board of directors, acting on behalf of the Association, the right, in addition to any other rights set forth in these bylaws, to do any or all of the following after giving notice and an opportunity to be heard:

- (a) to enter the unit in which or as to which such violation exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing, or condition that may exist contrary to the intent and meaning of such provisions, and the board of directors shall not thereby be deemed guilty of any manner of trespass, provided, however, that judicial proceedings shall be instituted before any items of construction may be altered or demolished; or
- (b) to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings;
- (c) to levy reasonable fines; or
- (d) to terminate the right to receive utility services paid for out of assessments or the right of access to and use of recreational and service facilities of the Condominium until the correction of the violation has occurred.

The offending unit owner shall be liable to the Association for all costs and attorneys' fees incurred by the Association, whether or not legal proceedings are instituted and including attorneys' fees on appeal or petition for review, together with any expense incurred by the Association in remedying the default, damage incurred by the Association or unit owners, or fines so levied. Such sums shall be assessed against the offending unit as an assessment and enforced as provided in Article 5. In addition, any aggrieved unit owner may bring an action against such other unit owner or the Association to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

ARTICLE 8.

INSURANCE

8.1 Types of Insurance. For the benefit of the Association and the unit owners, the board of directors shall obtain and maintain at all times, and shall pay for out of the common expense funds, the following insurance:

8.1.1 Property Damage Insurance.

(a) The Association shall maintain a policy or policies of insurance covering loss or damage from fire, with standard extended coverage and "all risk" endorsements, and such other coverages as the Association may deem desirable.

(b) The amount of the coverage shall be for not less than one hundred percent (100%) of the current replacement cost of the units and common elements (exclusive of land, foundation, excavation and other items normally excluded from coverage), subject to a maximum deductible of the lesser of \$10,000 or one percent (1%) of the policy amount.

(c) The policy or policies shall include all fixtures and building service equipment to the extent that they are part of the common elements and all personal property and supplies belonging to the Association, together with all fixtures, improvements and alterations comprising a part of each unit and refrigerators, air conditioners, cooking ranges, dishwashers and clothes washers and dryers contained within units and owned by the unit owners.

(d) Such policy or policies shall name the Association as insured, and shall provide for loss payable in favor of the Association, as a trustee for each unit owner and each such unit owner's mortgagee, as their interests may appear. The policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution) which is commonly accepted by institutional mortgage investors in Oregon.

8.1.2 Liability Insurance.

(a) The Association shall maintain comprehensive general liability insurance coverage insuring the Declarant, the Association, the board of directors, the unit owners and the managing agent, against liability to the public or to the owners of units and of common elements, and their invitees or tenants, incident to the operation, maintenance, ownership or use of the property, including legal liability arising out of lawsuits related to employment contracts of the Association. There may be excluded from such policy or policies coverage of a unit owner (other than as a member of the Association or board of directors) for liability arising out of acts or omission of such unit owner and liability

incident to the ownership and/or use of the part of the property as to which such unit owner has the exclusive use or occupancy.

(b) Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000) on a combined single limit basis.

(c) Such policy or policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

8.1.3 Workers' Compensation Insurance. The Association shall maintain workers' compensation insurance to the extent necessary to comply with any applicable laws.

8.1.4 Fidelity Insurance.

(a) The Association shall maintain fidelity insurance for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of or administered by the Association. In the event the Association has retained a management agent, such agent shall maintain fidelity insurance for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association.

(b) The total amount of fidelity insurance coverage required shall be based upon the best business judgment of the board of directors. In no event, however, may the aggregate amount of such insurance be less than the sum equal to three months' aggregate assessments on all units plus reserve funds.

(c) Such fidelity insurance shall name the Association as obligee and shall contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The insurance shall provide that it may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least 10 days' prior written notice to the Association and each servicer on behalf of the Federal National Mortgage Association ("FNMA").

8.1.5 Directors' and Officers' Liability Insurance. The Association shall maintain a policy of directors' and officers' liability insurance with coverage in the amount of not less than One Million Dollars (\$1,000,000), subject to a reasonable deductible.

8.1.6 Insurance by Unit Owners. Each unit owner shall be responsible for obtaining, at such owner's own expense, insurance covering his or her property not insured under

Section 8.1.1 above and against his or her liability not covered under Section 8.1.2 above, unless the Association agrees otherwise.

8.2 Other Insurance Requirements. Insurance obtained by the Association shall be governed by the following requirements:

(a) All policies shall be written with the State of Oregon or a company licensed to do business in the State of Oregon acceptable to FNMA which falls into a B general policyholder's rating or a financial performance index of 6 or better, as designated in Best's Key Rating Guide, or an A or better rating from Demotech, Inc.

(b) Notwithstanding the provisions of 8.1 above, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement, or any successor to such trustee. Such insurance trustee shall have exclusive authority to negotiate losses under any property or liability insurance policy. Each unit owner appoints the Association, or any insurance trustee or substitute trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance including: the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purchase. The Association or insurance trustee shall receive, hold or otherwise properly dispose of any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear.

(c) All property insurance policies shall contain a "Special Condominium Endorsement" or its equivalent providing for the following: recognition of any Insurance Trust Agreement, a waiver of the right of subrogation against unit owners individually, that the insurance is not prejudiced by any act or neglect of individual unit owners which is not in the control of such owners collectively, and that the policy is primary in the event the unit owner has other insurance covering the same loss.

(d) For purposes of this article, insurance policies are unacceptable where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against FNMA, the designee of FNMA, or the Association or unit owners, or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members, or (iii) policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA or the owners from collecting insurance proceeds.

(e) All policies required by this article shall provide that they may not be canceled or substantially modified without at least 10 days' prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of

a first mortgage in the insurance policy. Evidence of insurance shall be issued to each unit owner and mortgagee upon request.

(f) Each unit owner shall be required to notify the board of directors of all improvements made by the owner to his or her unit, the value of which is in excess of Five Hundred Dollars (\$500). Nothing in this paragraph shall permit an owner to make improvements without first obtaining the approval of the board of directors pursuant to Section 7.2.

(g) Any unit owner who obtains individual insurance policies covering any portion of the property other than such owner's personal property and fixtures shall file a copy of such individual policy or policies with the Association within thirty (30) days after the purchase of such insurance.

8.3 Optional Provisions. The board of directors shall make every effort to secure insurance policies that will provide for the following:

(a) To the extent appropriate and available at reasonable cost, the Association shall maintain additional coverages against such other risks as are customarily covered with respect to projects similar in construction, location and use, including but not limited to, host liquor liability, contractual and all-written contract insurance, employer's liability insurance, comprehensive automobile liability insurance, and an endorsement patterned after "use and occupancy" insurance providing relief from monthly assessments while a unit is uninhabitable due to a covered loss.

(b) If reasonably available, the insurance policies shall include Inflation Guard Endorsement, and Construction Code Endorsements (such as a Demolition Cost Endorsement, a Contingent Liability from Operation of Building Laws Endorsement, and an Increased Cost of Construction Endorsement).

(c) Flood Insurance, if the condominium is in a Special Flood Hazard Area.

8.4 FNMA and GNMA Requirements. Notwithstanding any other provisions of this article, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity requirements for condominium projects established by FNMA and Government National Mortgage Association, so long as either is a mortgagee or owner of a unit within the condominium, except to the extent such coverage is not available or has been waived in writing by FNMA or Government National Mortgage Association. FNMA or FNMA's servicer, its successors and assigns, shall be named as a mortgagee in the Association's policies.

ARTICLE 9.

AMENDMENTS TO BYLAWS

9.1 How Proposed. Amendments to the bylaws shall be proposed by either a majority of the board of directors or by unit owners holding thirty percent (30%) of the voting rights. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for consent to the amendment.

9.2 Adoption. A resolution adopting a proposed amendment may be proposed by either the board of directors or by the unit owners and may be approved by the unit owners at a meeting called for this purpose or by ballot vote. Unit owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution must be approved by unit owners holding a majority of the voting rights and by mortgagees to the extent required by the Declaration, except that any amendment relating to age restrictions, pet restrictions, limitations on the number of persons who may occupy units, or limitations on the rental or leasing of units must be approved by unit owners holding seventy-five percent (75%) of the voting rights. Declarant's consent shall also be required so long as Declarant owns twenty-five percent (25%) or more of the units in the condominium. Such consent shall not be required after three (3) years from the date of conveyance of the first unit to a person other than Declarant. Any amendment which would limit or diminish any special Declarant rights established in these bylaws shall require the written consent of Declarant. In addition, no provision of these Bylaws may be modified, added to, amended or repealed so as to eliminate, change or impair the rights, privileges, easements, licenses or exemptions granted to the owners of the Commercial Units, or otherwise adversely affect Commercial Units, unless owners of a majority of the Commercial Units shall give their prior written consent.

9.3 Execution and Recording. An amendment shall not be effective until certified by the chairman and secretary of the Association as being adopted in accordance with these bylaws and the provisions of the Oregon Condominium Act and recorded as required by law. Any amendment adopted within five (5) years after the recording of the initial bylaws shall be approved by the Oregon Real Estate Commissioner to the extent required by the Oregon Condominium Act.

ARTICLE 10.

MISCELLANEOUS

10.1 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 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.

10.2 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.

10.3 Action Without a Meeting. Any action which the Oregon Condominium Act, the Declaration or the bylaws require or permit the owners or directors to take at a meeting may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the owners or directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the owners or directors, shall be filed in the records of minutes of the Association.

10.4 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 in these bylaws, 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 are intended solely for convenience of reference and shall in no way limit any of the provisions of these bylaws.

10.5 Conflicts. These bylaws are intended to comply with the Oregon Condominium Act and the Declaration. In case of any irreconcilable conflict, such statute and document shall control over these bylaws or any rules and regulations adopted hereunder.

DATED this 26th day of JUNE, 1997.

FLANDERS LOFTS, LLC, an Oregon limited liability company

By T & S Properties, an Oregon limited liability company, its Managing Member

By


Scott D. Stehman

Note that the First Amendment
to the Bylaws adds a section 10.6
"Audible Interior Alarm Systems"

After Recording Return To:
Vial Fotheringham, LLP
7000 SW Varns Street
Portland, OR 97223-8006

25
Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk

ATLJH

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Total : 41.00

2005-044825 03/16/2005 10:33:34am

Transnation Title Insurance
Accommodation Recording 05-12-2005

**FIRST AMENDMENT TO THE BYLAWS
OF THE ASSOCIATION OF UNIT OWNERS
OF FLANDERS LOFTS, A CONDOMINIUM**

This First Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, A Condominium (the "Bylaws") is made this 10th day of May, 2004 pursuant to the provisions of the Oregon Condominium Act by the Association of Unit Owners of Flanders Lofts, A Condominium (the "Association").

RECITALS

A. Flanders Lofts, A Condominium (the "Condominium"), is a condominium established by the Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership (herein after referred to as the "Declaration") dated June 26, 1997, recorded August 15, 1997 as Document No. 97123846 in the Records of Multnomah County, Oregon;

B. The Bylaws of the Association of Unit Owners of Flanders Lofts, A Condominium, were recorded as Exhibit C to the original Declaration Submitting Flanders Lofts, A Condominium;

C. The Association, in an effort to ensure the safety and quiet enjoyment of the unit owners at Flanders Lofts, wishes to be able to enter into a unit whose owner is not currently home upon the sounding of a security or other warning alarm within that unit. The Association wishes to do this in order to determine the cause of the sounding alarm, thus ensuring the safety of other residents, as well discontinue the sounding of the alarm for the benefit of the surrounding units. These purposes can also be achieved if the alarm is remotely monitored by a security or alarm company.

D. Pursuant to Article 13, Section 13.2(b) of the Declaration, and Article 9, Section 9.2 of the Bylaws, the Association has received the required vote for an amendment to the Bylaws.

NOW THEREFORE, Article 10 of the Bylaws is amended to include the following section 10.6:

10.6 Audible Interior Alarm Systems

Any unit owner or resident with an audible alarm system now, or in the future, must have that alarm system monitored or have a key on file with the Management Company to enable deactivation.

**Association of Unit Owners of
Flanders Lofts, A Condominium**

By: Kenneth W. Koopman Date: 3-2-05
President

By: Z Fadel Date: 10/12/04
Secretary

STATE OF OREGON)
)
 Washington) ss.
County of Multnomah)

Personally appeared the above named Mazen Fadel and _____, who first being duly sworn, did say that they are the President and Secretary, respectively, of the Association of Unit Owners of Flanders Lofts, A Condominium and that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors as its voluntary act and deed.

CHRISTINA KOVALEFF



OFFICIAL SEAL
CHRISTINA KOVALEFF
NOTARY PUBLIC-OREGON
COMMISSION NO. A342961
MY COMMISSION EXPIRES APR. 28, 2005

COMMISSION NO. A342961

Christina Kovalleff
Notary Public for Oregon
My Commission Expires: 4-28-05

CERTIFICATION

The under signed President and Secretary of the Unit Owners Association of Flanders Lofts, A Condominium, hereby certify that the foregoing amendment to the Bylaws was duly adopted pursuant to ORS 100.410(1) and the existing Declaration and Bylaws of the Unit Owners Association of Flanders Lofts, A Condominium.

IN WITNESS WHEREOF, we have hereunder subscribed our name this 12 day of
October, 2004.

Ronald W Kopfman
President, Flanders Lofts 3-2-05

President, Flanders Lofts

3-2-05

Secretary, Flanders Lofts

STATE OF OREGON)
 Washington)ss:
County of Multnomah)

CHRISTINA KOVALEFF



OFFICIAL SEAL
CHRISTINA KOVALEFF
NOTARY PUBLIC-OREGON
COMMISSION NO A342961
MISSION EXPIRES APR 28 2009

Christina F.
Notary Public for Oregon
My Commission Expires:

4-2805

Commission No. A34296.

Kenneth W. Kauffman, 3-2-05

STATE OF Oregon }
County of Multnomah } ss.

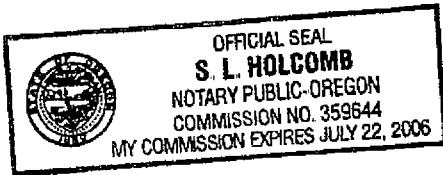
This instrument was acknowledged before me on this 2 day of March, 2005
by S. L. Holcomb

Kenneth W. Kauffman appeared before me.

S. L. Holc

Notary Public for Oregon

My commission expires: July 22, 2006



Kenneth W. Koopman 3-02-05

STATE OF Oregon
County of Multnomah

} ss.

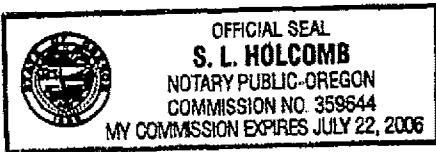
This instrument was acknowledged before me on this 2 day of March, 2005
by S. L. Holcomb

Kenneth W. Koopman appears to be forme

S. L. Holcomb

Notary Public for Oregon

My commission expires: July 22, 2006



After Recording Return To:
Ball Janik LLP
101 SW Main Street, Suite 1100
Portland, OR 97204

Multnomah County Official Records
R Weldon, Deputy Clerk

2013-020001



\$51.00

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\$15.00 \$11.00 \$15.00 \$10.00

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SECOND AMENDMENT TO THE BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM

THIS SECOND AMENDMENT TO THE BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF FLANDERS LOFTS, A CONDOMINIUM (this "Amendment") is made and entered into this 21st day of MAY 2012, by the Association of Unit Owners of Flanders Lofts, A Condominium (the "Association").

RECITALS

A. Flanders Lofts, A Condominium (the "Condominium"), is a condominium established by the Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership (the "Declaration") dated June 26, 1997, recorded August 15, 1997 as Document No. 97123846 in the official records of Multnomah County, Oregon.

B. The Bylaws of the Association of Unit Owners of Flanders Lofts, A Condominium (the "Bylaws") were recorded as Exhibit C to the Declaration. The First Amendment to the Bylaws of the Association of Unit Owners of Flanders Lofts, A Condominium dated May 10, 2004 was recorded on March 16, 2005 as Document No. 2005-044825 in the official records of Multnomah County, Oregon.

C. The Association deems it in the best interest of the Association to amend the Bylaws to remove the weight restriction relating to domestic dogs, cats, or other household pets kept within a unit.

AMENDMENT

NOW, THEREFORE, the Bylaws are amended as follows:

1. Animals. The first sentence of Section 7.5(d) of the Bylaws is deleted in its entirety and replaced with the following sentence:

"No animals or fowls shall be raised, kept or permitted within the condominium or any part thereof, except domestic dogs, cats, or other household pets kept within a unit."

3

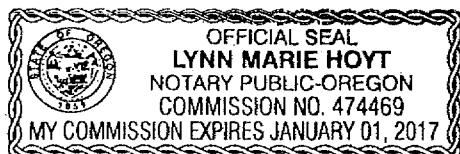
2. Approval. By execution of this Amendment, the President and Secretary of the Association hereby certify that this Amendment has been approved in accordance with the Declaration, the Bylaws, and the requirements of ORS 100.410.

3. Effect of Amendment. To the extent any provision of the Bylaws conflicts with or is in any way inconsistent with this Amendment, the Bylaws shall be deemed to conform to the terms and provisions of this Amendment. Except as specifically set forth herein, the Bylaws are unmodified and remain in full force and effect.

4. Counterparts. This Amendment may be executed in counterparts, each of which shall be an original and all of which, when taken together, shall constitute one and the same instrument.

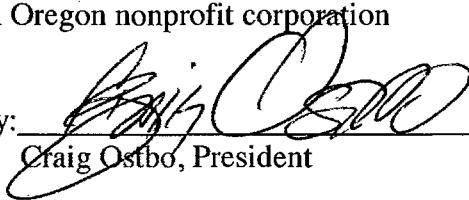
IN WITNESS WHEREOF, the undersigned have executed this Amendment effective as of the date set forth above.

ASSOCIATION:



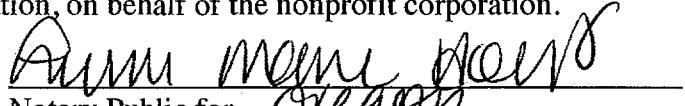
ASSOCIATION OF UNIT OWNERS OF
FLANDERS LOFTS, A CONDOMINIUM,
an Oregon nonprofit corporation

By:

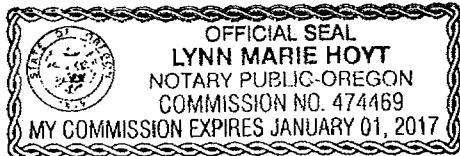

Craig Ostbo, President

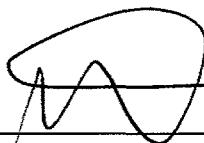
STATE OF Oregon)
County of Multnomah) ss.

on 2013 The foregoing instrument was acknowledged before me on this 31 day of January 2012, by Craig Ostbo, the President of the Association of Unit Owners of Flanders Lofts, A Condominium, an Oregon nonprofit corporation, on behalf of the nonprofit corporation.


Notary Public for Oregon
My Commission Expires: 01-01-2017

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



By: 
Katy Kaysinger, Secretary

STATE OF Oregon)
County of Multnomah) ss.
or

2013 The foregoing instrument was acknowledged before me on this 1 day of February, 2012, by Katy Kaysinger, the Secretary of the Association of Unit Owners of Flanders Lofts, A Condominium, an Oregon nonprofit corporation, on behalf of the nonprofit corporation.

Lynn M Hoyt
Notary Public for OREGON
My Commission Expires: 01-01-2017

AFTER RECORDING, RETURN TO:

Howard M. Feuerstein
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2300
Portland, Oregon 97204

Recorded in the County of Multnomah, Oregon
C. Swick, Deputy Clerk

[REDACTED] 273.00

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OREGON TITLE & CO 1970B053

DECLARATION SUBMITTING
FLANDERS LOFTS, A CONDOMINIUM
TO CONDOMINIUM OWNERSHIP

FLANDERS LOFTS, LLC

DECLARANT

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**DECLARATION SUBMITTING
FLANDERS LOFTS, A CONDOMINIUM
TO CONDOMINIUM OWNERSHIP**

THIS DECLARATION, pursuant to the provisions of the Oregon Condominium Act, is made and executed this 16th day of June, 1997, by FLANDERS LOFTS, LLC, an Oregon limited liability company ("Declarant").

Declarant proposes to create a condominium to be known as Flanders Lofts. A Condominium which will be located in the City of Portland, Multnomah County, Oregon. The purpose of this Declaration is to submit Flanders Lofts, A Condominium 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:

ARTICLE 1.

DEFINITIONS

When used in this Declaration the following terms shall have the following meanings:

1.1 **"Association"** means the association of unit owners established pursuant to Article 14 below.

1.2 **"Bylaws"** means the Bylaws of the Association of Unit Owners of Flanders Lofts, A Condominium adopted pursuant to Section 14.4 below as the same may be amended from time to time.

1.3 **"Commercial Units"** means Units 101 and 102, as shown on the Plat

1.4 **"Condominium"** means all of that property submitted to the condominium form of ownership by this Declaration.

1.5 **"Declarant"** means Flanders Lofts, LLC, an Oregon limited liability company, and its successors and assigns.

1.6 **"Declaration"** means this Declaration as the same may hereafter be amended

1.7 **"Eligible Mortgage Insurer or Guarantor"** means an insurer or governmental guarantor of a first mortgage on a unit who has requested notice of certain matters from the Association in accordance with Section 13.1 below.

1.8 "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 13.1 below, but shall not include a contract vendor.

1.9 "Mortgage" and "Mortgagee" mean, respectively, a recorded mortgage, trust deed or contract of sale which creates a lien against a unit, and the holder, beneficiary or vendor of such a mortgage, trust deed or contract of sale.

1.10 "Plat" means the plat of Flanders Lofts, A Condominium recorded simultaneously with the recording of this Declaration.

1.11 "Residential Units" means Units 201 through 409, as shown on the Plat.

1.12 Incorporation by Reference. Except as otherwise provided in this Declaration, each of the terms defined in ORS 100.005, a part of the Oregon Condominium Act, shall have the meanings set forth in such section.

ARTICLE 2.

SUBMISSION OF PROPERTY TO CONDOMINIUM STATUTE

The property submitted to the Oregon Condominium Act by this Declaration is held by Declarant and conveyed by Declarant in fee simple estate. The land submitted is located in City of Portland, Multnomah County, Oregon, and is more particularly described in the attached Exhibit A. The property submitted includes the land so described, all buildings, improvements and structures, all easements, and rights and appurtenances located on, belonging to or used in connection with such land, including (a) air space easement granted under Easement Agreement from Kalberer Hotel Supply Co. dated March 18, 1997 and recorded March 19, 1997 in the Records of Multnomah County, Oregon, in Volume 97, Page 039682, and (b) parking easement granted under Easement Agreement from Apas Diffusion S.A. dated March 18, 1997, and recorded March 19, 1997 in the Records of Multnomah County, Oregon, in Volume 96, Page 039680.

ARTICLE 3.

NAME OF CONDOMINIUM

The name by which the Condominium shall be known is "Flanders Lofts, A Condominium."

ARTICLE 4.

UNITS

4.1 General Description of Buildings. The Condominium contains one building. The building contains six stories, without basement. The building is of concrete and wood frame construction with concrete and stucco siding and built up roof.

4.2 General Description, Location and Designation of Units. The Condominium consists of twenty-five (25) Residential Units designated for residential and limited commercial use and two (2) Commercial Units designated for broader commercial and residential use, for a total of twenty-seven (27) units. The dimensions, designation and location of each unit are shown in the Plat, which is made a part of this Declaration as if fully set forth herein. The approximate area of each unit is shown on the attached Exhibit B.

4.3 Boundaries of Units. Each unit shall be bounded by the interior surfaces of its perimeter and bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim. The unit shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of its finished surfaces and the exterior surfaces so described. All other portions of the walls, floors or ceilings shall be a part of the common elements. In addition, each unit shall include the following: (a) All spaces, nonbearing interior partitions, windows, window frames, exterior doors, door frames and all other fixtures and improvements within the boundaries of the unit; and (b) All outlets of utility and communications service lines, including but not limited to power, light, gas, hot and cold water, heating, refrigeration, air conditioning and waste disposal, security, cable television and telephone, within the boundaries of the unit, but shall not include any part of such lines or ducts themselves.

ARTICLE 5.

GENERAL COMMON ELEMENTS

The general common elements consist of the following:

5.1 The land, pathways, driveways, fences, grounds, lobby and garage, except parking spaces within the garage, as shown on the Plat, which are designated as limited common elements by Article 6 below.

5.2 Pipes, ducts, flues, chutes, conduits, wires and other utility and communications installations to their outlets

5.3 Roofs, foundations, bearing walls, perimeter walls, beams, columns and girders to the interior surfaces thereof

5 4 Stairways, landings, hallways, elevator, entrances and exits which are not part of a unit.

5 5 All other elements of the buildings and the Condominium necessary or convenient to their existence, maintenance and safety, or normally in common use, except as may be expressly designated in this Declaration as part of a unit or a limited common element.

ARTICLE 6.

LIMITED COMMON ELEMENTS

The following shall constitute limited common elements, the use of which shall be restricted to the units to which they pertain:

6 1 All balconies and decks, each of which shall pertain to the unit which it adjoins as shown on the Plat.

6 2 Parking spaces within the garage, as shown on the Plat, each of which shall pertain to the unit indicated in the attached Exhibit B; provided, however, that any such parking space may be transferred so as to pertain to a different unit by an amendment to this Declaration executed by the owner and any mortgagee of the unit to which the parking space previously pertained and by the owner of the unit to which the space is being transferred. Such transfer shall be effective upon the recording of such amendment in the Records of Multnomah County, Oregon. No transfer, however, shall be such as to leave any Residential Unit without at least one parking space assigned to it as a limited common element.

ARTICLE 7.

ALLOCATION OF UNDIVIDED INTERESTS IN COMMON ELEMENTS

Each unit will be entitled to an undivided ownership interest in the common elements determined by the ratio by which the approximate area of the particular unit bears to the total approximate area of all units combined, as shown on the attached Exhibit B. If units are ever consolidated, the percentage ownership interest in the common elements shall be allocated among the consolidated units in the proportion by which the square footage in the individual unit bears to the total square footage of all of the affected units. Each unit's interest in the common elements shall be inseparable from the unit and any conveyance, encumbrance, judicial sale, or other transfer, voluntary or involuntary, of an undivided interest in the common elements shall be void unless the unit to which that interest is allocated is also transferred.

ARTICLE 8.

COMMON PROFITS AND EXPENSES: VOTING

8.1 Allocation of Common Profits and Expenses. The common profits and common expenses of the Condominium shall be allocated to the owner of each unit according to the allocation of undivided interest of such unit in the common elements. If a unit uses more water than would be used by a residential or office use of such size, then the cost of the excess water service shall be charged to such unit. Except upon termination of the Condominium or as otherwise provided in the Bylaws with respect to damage, destruction or condemnation, any such common profits shall be used solely for the purpose of maintaining, repairing and replacing the common elements or for other expenses or reserves of the Association.

8.2 Allocation of Voting Rights. Each unit owner shall be entitled to a vote in the affairs of the Association of unit owners equal to his allocation of undivided interest in the common elements for each unit owned by him. The method of voting shall be as specified in the Bylaws

ARTICLE 9.

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 ORS 100.250(1)(a).

ARTICLE 10.

USE OF PROPERTY

Each unit is to be used only for the purposes set forth below. Additional limitations on use are contained in the Bylaws and rules and regulations adopted pursuant to the Bylaws, which documents shall be binding upon all owners, occupants and users of the units.

10.1 Residential Units. Residential Units shall be used for residential purposes or for office, professional or studio purposes. Such units may be used for retail purposes only on a by-appointment-only basis. No uses shall be permitted that generate noise such as to disturb units used for residential purposes.

10.2 Commercial Units. Commercial Units shall be used for retail, commercial, professional or residential purposes; provided, however, that Commercial Units may not be used for manufacturing, sales of pornographic or erotic literature, objects or similar merchandise, for

video or amusement centers or arcades, or as a restaurant, bar, pub, nightclub or facility providing nighttime entertainment.

ARTICLE 11.

MAINTENANCE OF COMMON ELEMENTS

11.1 **Responsibility for Maintenance.** 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.

11.2 **Mortgagee's Rights upon Failure to Maintain.** If the mortgagee of any unit determines that the board of directors is not providing an adequate maintenance, repair and replacement program for the common elements, such mortgagee, at its option, may give a notice to the board of directors by delivering same to the registered agent, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 90 days subsequent to receipt of such notice, then the mortgagee, upon written notice to the registered agent that it is exercising its proxy rights, shall have the right to attend succeeding annual or special meetings of the Association and to cast a vote for each unit on which it holds a mortgage on all business coming before such meeting. Such proxy rights shall continue until the defects listed on the notice are corrected.

11.3 **Rights of City Upon Failure to Maintain.** The provisions of this Declaration and of the Bylaws regarding the maintenance, repair and replacement of the common elements shall be deemed to be for the benefit of the City of Portland, as well as the unit owners, and the City may enforce such provisions by appropriate proceedings at law or in equity. Without limitation to the foregoing, the City may deliver a written notice to the board of directors by delivering the same to the registered agent, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 30 days after receipt of the notice, or, if such correction cannot reasonably be completed within such time, the Association fails within such time to commence and pursue the correction with reasonable diligence, then the City may take necessary curative action. In such event, the cost of correction by the City shall constitute a lien against each unit and its interest in the common elements based upon such unit's share of the common expenses as provided in this Declaration.

ARTICLE 12.

EASEMENTS

12.1 **In General** Each unit has an easement in and through each other unit and the common elements for all support elements and utility, wiring, heat, and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of the Condominium. Units 401 and 409 shall have easements for the placement, use and repair of heat

pumps serving such units on the limited common element decks of Units 402 and 408, respectively. In addition, each unit and all the common elements are specifically subject to easements as required for the electrical wiring and plumbing for each unit. The specific mention or reservation of any easement in this Declaration does not limit or negate the general easement for common elements reserved by law. Each unit owner has an unrestricted right of ingress and egress to his or her unit. This right is perpetual and passes with the ownership of the unit.

12.2 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 as long as the physical boundaries of the units are in substantial accord with the description of those boundaries that appears in the Declaration. There shall be valid easements for the maintenance of the encroaching units and common elements so long as the encroachments shall exist, and the rights and obligations of owners shall not be altered in any way by the encroachment. This provision does not relieve a unit owner of liability in the case of willful misconduct of the unit owner, or relieve Declarant or any contractor, subcontractor or materialman from any liability as a result of failure to adhere to the Plat. The encroachments described in this Section 12.2 shall not be construed to be encumbrances affecting the marketability of title to any unit.

12.3 Granting of Easements by Association. The Association, upon prior approval of 75 percent of the voting power of the unit owners, may execute, acknowledge, deliver and record on behalf of the unit owners leases in excess of two years, easements, rights-of-way, licenses, and similar interests affecting the common elements and consent to vacation of roadways within and adjacent to the Condominium. Any such instrument shall be executed by the chairman and secretary of the Association. No such interest may be granted with regard to a limited common element unless the owners and mortgagees of the units having the right to use such limited common element join in the instrument granting the interest.

12.4 Right of Entry. The board of directors of the Association, managing agent, manager or any other person authorized by the board of directors shall have the right to enter any unit in the case of an emergency originating in or threatening such unit or other condominium property, whether or not the owner is present at the time. Such persons shall also have the right to enter any unit for the purpose of performing installations, alterations or repairs to any common element and for the purpose of inspection to verify that the unit owner is complying with the restrictions and requirements described in this Declaration and the Bylaws, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner.

12.5 Easements for Declarant. Declarant and Declarant's agents, successors and assigns shall have an easement over and upon the common elements as may be reasonably necessary for the purpose of completing or making repairs to existing structures, if access thereto is otherwise not reasonably available, for the purpose of carrying out sales and rental activities

necessary or convenient for the sale or rental of units, including, without limitation, the right to use the units owned by Declarant as model units and the right to use a unit as a sales office, and for the purpose of discharging any other obligation of Declarant or exercising any other special Declarant right, whether arising under the Oregon Condominium Act or reserved in this Declaration or the Bylaws.

ARTICLE 13.

APPROVAL BY MORTGAGEES

13.1 Notice of Action. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor and the unit number or address of the unit on which it has (or insures or guarantees) the mortgage, any such eligible mortgage holder or eligible insurer or guarantor shall be entitled to timely written notice of the following:

(a) Any condemnation or casualty loss which affects a material portion of the Condominium or affects the unit securing its mortgage.

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

(c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

(d) Any proposed action which would require consent of a specified percentage of eligible mortgage holders as required by this article.

13.2 Termination and Amendment to Documents

(a) The approval of eligible holders holding mortgages on units which have at least 67 percent of the voting rights of units subject to eligible holder mortgages shall be required to terminate the legal status of the project as a condominium for reasons other than substantial destruction or condemnation of the property.

(b) Except when a greater percent is required by the Declaration or Bylaws, or a greater or lesser percent is required by the Oregon Condominium Act, the consent of the owners of units holding at least 67 percent of the voting rights and the approval of eligible holders holding mortgages on units which have at least 51 percent of the voting rights of the units subject to eligible holder mortgages 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 shall constitute a material change:

- (1) Voting rights;
- (2) Increases in assessments that raise the previously assessed amount by more than twenty-five percent (25 %), assessment liens or the priority of such liens;
- (3) Reduction in reserves for maintenance, repair and replacement of the common elements;
- (4) Responsibility for maintenance and repairs;
- (5) Reallocation of interests in the general or limited common elements, or rights to their use, except as otherwise provided in Section 6.2 and Article 15;
- (6) The boundaries of any unit, except as otherwise provided in Article 15;
- (7) Convertibility of units into common elements or of common elements into units, except as otherwise provided in Article 15;
- (8) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (9) Hazard or fidelity insurance requirements;
- (10) Imposition of any restrictions on the leasing of units;
- (11) Imposition of any restriction on the right of a unit owner to sell or transfer his or her unit;
- (12) Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than specified in this Declaration or the Bylaws;
- (13) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or
- (14) Any provisions that expressly benefit mortgage holders, insurers or guarantors.

(c) An addition or amendment to the Declaration or Bylaws shall not be considered material for purposes of Section 13.2(b) if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who receives a written request to approve any termination, additions or amendments and who does not deliver or post to the requesting party a negative response within 30 days shall after it receives proper notice of the

proposal, provided the notice was delivered by certified or registered mail, return receipt requested, be deemed to have approved such request.

13.3 Additional Approvals. In addition to any other approvals required by the Oregon Condominium Act, this Declaration or the Bylaws, the prior written approval of two-thirds of the holders of first mortgages on units in the Condominium (based upon one vote for each first mortgage owned) or unit owners (other than Declarant) must be obtained for the following:

- (a) Abandonment or termination of the Condominium regime.
- (b) Except as provided in Article 15, any change in the pro rata interest or obligations of any individual unit for (a) purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each unit in the common elements.
- (c) Except as provided in Article 15, the partition or subdivision of any unit.
- (d) Abandonment, partition, subdivision, encumbrance, sale or transfer of 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.
- (e) Use of 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 cases of substantial loss to the units and/or common elements of the condominium project.

13.4 Notice to First Mortgagees of Defaults. Any first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by the owner of the mortgaged unit of any obligation under this Declaration, the rules and regulations or the Bylaws which is not cured within 60 days.

ARTICLE 14.

ASSOCIATION OF UNIT OWNERS

14.1 Organization. Upon the recording of this Declaration an association of unit owners 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. The name of this association shall be "Association of Unit Owners of Flanders Lofts, A Condominium," and the Association shall be an Oregon nonprofit corporation.

14.2 Membership; Board of Directors. Each unit owner shall be a member of the Association. The affairs of the Association shall be governed by a board of directors as provided in the Bylaws.

14.3 Powers and Duties. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, including each of the powers set forth in ORS 100.405(4), together with such additional powers and duties afforded it by this Declaration or the Bylaws.

14.4 Adoption of Bylaws, Declarant Control of Association. Upon the execution and the recording of this Declaration, Declarant shall adopt Bylaws for the Association, which Bylaws are attached as Exhibit C. At the same time, Declarant will appoint an interim board of directors of the Association, which directors shall serve until their successors have been elected as provided in Section 3.4 of the Bylaws. In addition, Declarant shall have the right to consent to any amendment to the Declaration or the Bylaws as provided in Section 16.2 below and Section 9.2 of the Bylaws.

ARTICLE 15.

CHANGES TO UNITS

15.1 Approval Required. The boundaries between adjoining units, including any intervening common elements, may be relocated or eliminated by an amendment to this Declaration. The owners of the affected units shall submit to the board of directors of the Association 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 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.

15.2 Supervision of Work. The board of directors of the Association 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. The board of directors of the Association or any agent appointed by the board of directors may supervise the work necessary to effect the boundary relocation or elimination. Any expenses incurred under this section shall be charged to the owners of the units requesting the boundary relocation or elimination.

15.3 Execution and Recording of Amendment to Declaration and Plat. The amendment shall be executed by the owners and mortgagees of the affected units, certified by the chairman and secretary of the Association, approved as required by law and recorded in the

appropriate records of Multnomah County, Oregon. In addition, plat and floor plans necessary to show the altered boundaries between the adjoining units shall be recorded as required by law.

ARTICLE 16.

AMENDMENT

16.1 How Proposed. Amendments to the Declaration shall be proposed by either a majority of the board of directors or by unit owners holding thirty percent (30%) or more of the voting rights. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for consent to the amendment.

16.2 Approval Required. Except as may otherwise be provided in this Declaration or by the Oregon Condominium Act, this Declaration may be amended if such amendment is approved by unit owners holding 75 percent of the voting rights of the Condominium and by mortgagees to the extent required by Article 13. Declarant's prior written consent shall also be required so long as Declarant owns any 25 percent or more of the units in the Condominium, but no consent shall be required after three years from the date of conveyance of the first unit to a person other than Declarant. No amendment may change the size, location, 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 and mortgagees of the affected unit. Any amendment which would limit or diminish any special Declarant rights established in this Declaration or the Bylaws shall require the written consent of Declarant. In addition, no provision of this Declaration may be modified, added to, amended or repealed so as to eliminate, change or impair the rights, privileges, easements, licenses or exemptions granted to the owners of the Commercial Units, or otherwise adversely affect the Commercial Unit owners, unless the owners of such units and any mortgagees of such units shall give their prior written consent.

16.3 Recordation. The amendment shall be effective upon recordation in the Deed Records of Multnomah County, Oregon, of the Declaration as amended or of the amendment thereto, certified to by the chairman and secretary of the Association as being adopted in accordance with this Declaration and the provisions of the Oregon Condominium Act, and approved by the county assessor and the Real Estate Commissioner if such approvals are required by the Oregon Condominium Act.

ARTICLE 17.

SEVERABILITY

Each provision of this Declaration and the Bylaws shall be deemed independent and severable, and the validity or partial invalidity of any provision shall not affect the validity or

enforceability of the remaining part of that or any other provision of this Declaration or the Bylaws.

ARTICLE 18.

APPLICABILITY

Each unit owner, including Declarant as to any unsold unit, shall be subject to all of the rights and duties assigned to unit owners under the terms of the Declaration and Bylaws.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day and year first set forth above.

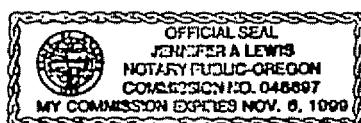
FLANDERS LOFTS, LLC, an Oregon limited liability company

By T & S Properties, LLC, an Oregon limited liability company, Managing Member

By _____
Scott D. Stehman

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 26 day of June, 1997, by Scott D. Stehman, Melissa of T & S Properties, LLC, Managing Member of Flanders Lofts, LLC, an Oregon limited liability company, on its behalf.



Jennifer A. Lewis
Notary Public for Oregon
My commission expires: 11/6/99

MORTGAGEE'S CONSENT

BANK OF AMERICA is the owner and holder of a mortgage or trust deed on the property being submitted to the Oregon Condominium Act hereunder and consents to the making of the foregoing Declaration.

BANK OF AMERICA

By

Its

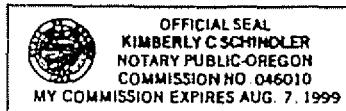
Robert E. McCall

Vice President

STATE OF OREGON)
)ss.

County of Multnomah)

On this 27th day of June, 1997 personally appeared before me
Robert E. McCall, Vice president of
BANK OF AMERICA, a(n) _____ on its behalf.



Robert E. McCall

Notary Public for Oregon

My commission expires: 8/7/99

The foregoing Declaration is approved this 15th day of August, 1997.

ASSESSOR AND TAX COLLECTOR
FOR MULTNOMAH COUNTY

By

Z. L. C. Hall

The foregoing Declaration is approved pursuant to ORS 100.110 this 7th day of
August, 1997.

SCOTT W. TAYLOR, REAL ESTATE
COMMISSIONER

By Scott W. Taylor

EXHIBIT A

Legal Description

A tract of land located in the southwest one-quarter of Section 34, Township 1 North, Range 1 East, Willamette Meridian, in the City of Portland, County of Multnomah, State of Oregon, and being further located in Lot 2 and Lot 3 of Block 49 of the plat of "Couch's Addition to the City of Portland" as recorded in Plat Book 1, Page 51 of the Multnomah County Records, together with an easement for parking garage easement on Lot 6 of said Block 49 as agreed to in Fee No. 97-39680, Multnomah County Records and an airspace easement for balconies on Lots 1 and 4 of said Block 49 as agreed to in Fee No. 97-39682, Multnomah County Records, and further described as follows: Beginning at a point that bears south 100.00 feet from the northwest corner of said Block 49 which is referenced by a brass screw located north 4.00 feet and west 4.00 feet from said block corner; said beginning point being the initial point from which was set a brass screw with a one inch brass washer stamped "PLS 937," said initial point being the northwest corner of Lot 3 of Block 49 of said "Couch's Addition to the City of Portland," thence from the initial point east 100.00 feet to the northeast corner of said Lot 3; thence South 100.00 feet to the southeast corner of Lot 2, said Block 49; thence west 100.00 feet to the southwest corner of said Lot 2; thence north 100.00 feet to the northwest corner of said Lot 3 being the initial point and point of beginning.

EXHIBIT B

Unit Square Footages and Undivided Interests

Unit	Type	Square Footage	Undivided Interest	Parking Space
101	Commercial	3217	8.600	None
102	Commercial	1624	4.342	None
201	Residential 1 Level	1218	3.256	1
202	Residential 1 Level	818	2.187	10
203	Residential 1 Level	1037	2.772	5
204	Residential 1 Level	1104	2.951	15
205	Residential 1 Level	1093	2.922	23
206	Residential 1 Level	1073	2.869	2
207	Residential 1 Level	936	2.502	9
208	Residential 1 Level	1116	2.984	6
301	Residential 1 Level	1218	3.256	17
302	Residential 1 Level	818	2.187	4
303	Residential 1 Level	1037	2.772	7
304	Residential 1 Level	1104	2.951	13
305	Residential 1 Level	1093	2.922	3
306	Residential 1 Level	1073	2.869	19
307	Residential 1 Level	936	2.502	14
308	Residential 1 Level	1116	2.984	11
401	Residential 2 Level	1256	3.358	16
402	Residential 3 Level	2440	6.523	22
403	Residential 3 Level	2050	5.481	24
404	Residential 3 Level	1922	5.138	25
405	Residential 3 Level	1656	4.427	20

Unit	Type	Square Footage	Undivided Interest	Parking Space
406	Residential 3 Level	1456	3.893	8
407	Residential 3 Level	1565	4.184	18
408	Residential 3 Level	1814	4.850	12
409	Residential 2 Level	1615	4.318	21
	TOTAL	37405	100.000	

After Recording Return to:
VIAL FOTHERINGHAM LLP
7000 S.W. VARN'S STREET
PORTLAND, OREGON 97223-8006

Recorded in the County of Multnomah, Oregon
C. Swick, Deputy Clerk
Total : 24.00
2001-207543 12/26/2001 11:41:09am ATESB
C59 2 REC SUR DOR OLIS
10.00 3.00 10.00 1.00

**AMENDMENT TO
DECLARATION SUBMITTING FLANDERS LOFTS,
A CONDOMINIUM TO CONDOMINIUM OWNERSHIP**

This document amends the Declaration Submitting Flanders Lofts, A Condominium to Condominium Ownership (the "Declaration"), recorded in the County of Multnomah, Oregon on August 15, 1997, as document number 97123846. The Declaration governs operation and management of all common and limited common elements at the Flanders Lofts Condominium ("Flanders Lofts").

WHEREAS, Article 6.2 of the Declaration, provides that parking spaces within the Flanders Loft garage, as shown on the plat which was recorded with the Declaration, shall each pertain to the unit indicated in Exhibit B of the Declaration;

WHEREAS, Article 6.2 of the Declaration provides that any such parking space may be transferred so as to pertain to a different unit by an amendment to the Declaration executed by the owner and any mortgagee of the unit to which the parking space previously pertained and by the owner of the unit to which the space is being transferred;

WHEREAS, John A. Rizzo, is the fee owner of loft unit 307 and parking space 14 in Flanders Lofts. There is no mortgagee for loft unit 307 or parking space 14;

WHEREAS, John A. Rizzo and Donna Macdonald, are owners of loft unit 201 and parking space 1.

THEREFORE, pursuant to Article 6.2 of the Declaration, John A. Rizzo and Donna Macdonald, as owners of the above referenced loft units and appurtenant parking spaces, hereby amend Exhibit B (Unit Square Footages and Undivided interests) of the Declaration to reflect that:

Parking space 14 (fourteen) pertains to unit 201; and
Parking space 1 (one) pertains to unit 307.

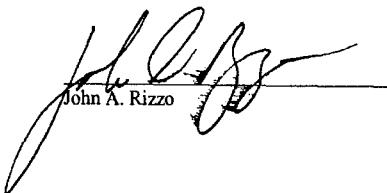
Page 1 - AMENDMENT TO DECLARATION SUBMITTING FLANDERS LOFTS A
CONDOMINIUM TO CONDOMINIUM OWNERSHIP

12-26-01

The transfer of parking spaces shall become effective upon the recording of this amendment in the records of Multnomah County , Oregon.

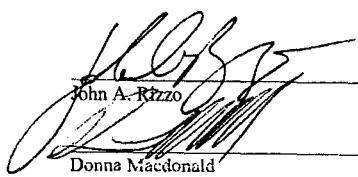
Dated this 17 day of December, 2001.

Owner of Unit 307



John A. Rizzo

Owners of Unit 201



John A. Rizzo
Donna Macdonald

Appendix

1. **Articles of Incorporation of Association of Unit Owners of Flanders Lofts, a Condominium**
Filed August 28th, 1997 with the Oregon Secretary of State – 4 pages
2. **Easement Agreement with 422 NW 8th Avenue for Garage Area**
Recorded March 19th, 1997 with the Multnomah County Clerk – 19 pages
3. **Party Wall Agreement with 422 NW 8th Avenue**
Recorded March 19, 1997 with the Multnomah County Clerk – 8 pages

FILED

AUG 28 1997

OREGON
SECRETARY OF STATE

**ARTICLES OF INCORPORATION OF
ASSOCIATION OF UNIT OWNERS OF
FLANDERS LOFTS, A CONDOMINIUM**

The undersigned limited liability company, acting as incorporator under the Oregon Non-Profit Corporation Law, adopts the following Articles of Incorporation:

ARTICLE 1

NAME AND DURATION

The name of this corporation is Association of Unit Owners of Flanders Lofts, A Condominium (the "Association").

ARTICLE 2

PURPOSES

This corporation is a mutual benefit, membership corporation and 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 Flanders Lofts, A Condominium. Flanders Lofts, A Condominium is a condominium located in the City of Portland, Multnomah County, Oregon, and has been submitted to the Oregon Condominium Act by Declaration Submitting Flanders Lofts, A Condominium, to Condominium Ownership recorded in the Deed Records of Multnomah County, Oregon (the "Declaration"). The definitions contained in or adopted by the Declaration are hereby adopted by reference.

ARTICLE 3

POWERS AND DUTIES

The Association shall exercise and perform all of the powers and obligations granted to the Association by the Oregon Condominium Act, the Declaration and the Bylaws attached to the Declaration, as the same may hereafter be amended. In addition, the Association shall have all of the powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.

ARTICLE 4

REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Association is 1882 SW Hawthorne Terrace, Portland, Oregon 97201, and the name of its initial registered agent who shall be amenable to service of process at such address is Terry Bean. The principal office and mailing address to which the Office of the Secretary of State may mail notices as required by law is:

1882 SW Hawthorne Terrace
Portland, OR 97201

ARTICLE 5

DIRECTORS

The affairs of the Association shall be governed by a board of directors appointed or elected as provided in the Declaration and Bylaws.

ARTICLE 6

INCORPORATOR

The name and address of the incorporator are:

Flanders Lofts, LLC
1882 SW Hawthorne Terrace
Portland, OR 97201

ARTICLE 7

DISSOLUTION

In the event the Association shall at any time be dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event, all of the property, powers and obligations of the incorporated association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association, which vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, any such successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the incorporated association as if they had been made to constitute the governing documents of the unincorporated association.

ARTICLE 8

MEMBERSHIP AND VOTING RIGHTS

(a) All the unit owners of the Condominium, including Flanders Lofts, LLC, and its successors and assigns (the "Declarant"), and the Association itself, to the extent any of these own a unit or units in the condominium, shall be members of the Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

(b) Each unit owner shall have a vote equal to the unit's allocation of undivided interest with common elements of the Condominium. The Declarant shall be entitled to vote as the unit owner of any then existing units retained by the Declarant, and the board of directors shall be entitled to vote on behalf of any unit which has been acquired by or on behalf of the Association; provided, however, that the board of directors shall not be entitled to vote such units in any election of directors. The method of voting shall be as provided in the bylaws.

ARTICLE 9

AMENDMENT

The provisions hereof may not be amended without the vote of unit owners holding a majority of the voting rights, together with the consent of Declarant and mortgagees to the extent required by the Oregon Condominium Act, the Declaration or the Bylaws. No such amendment may be inconsistent with the Declaration or Bylaws unless such documents are likewise amended as provided therein.

DATED: June 24, 1997.

FLANDERS LOFTS, LLC, an Oregon limited liability company

By T & S Properties, an Oregon limited liability company, its Managing Member

By _____
Scott D. Stehman

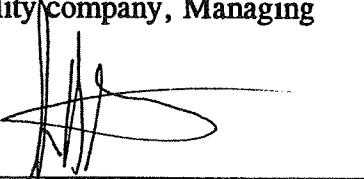
Incorporator

CALL TO INITIAL DIRECTORS TO
ORGANIZE ASSOCIATION OF UNIT OWNERS OF
FLANDERS LOFTS, A CONDOMINIUM

FLANDERS LOFTS, LLC, an Oregon limited liability company, developer of Flanders Lofts, A Condominium, a condominium submitted to the Oregon Condominium Act, certifies that Scott D. Stehman, Terrence P. Bean and David Gifford are the initial directors of the association and hereby calls upon the directors to organize the association by unanimous action taken without a meeting to be effective August 28, 1997.

**FLANDERS LOFTS, LLC, an Oregon limited
liability company**

By T & S Properties, LLC, an Oregon
limited liability company, Managing
Member


By _____
Scott D. Stehman

WAIVER OF NOTICE

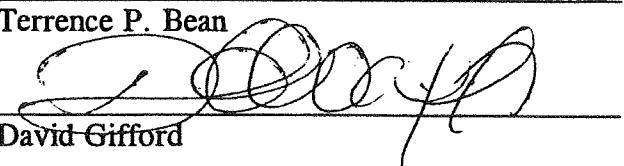
We, the undersigned directors of the Association of Unit Owners of Flanders Lofts, A Condominium, waive notice and consent to the organization of the association by unanimous action taken without the holding of a meeting to be effective August 28, 1997.



Scott D. Stehman



Terrence P. Bean



David Gifford

118.00

97039680 12:24pm 03/19/97

AFTER RECORDING RETURN TO:
JONATHAN V. BARG
ATTORNEY AT LAW
One SW Columbia Street
Suite 1990
Portland, Oregon 97258

009 20007600 02 13
A49 19 0.00 95.00 3.00 20.00 0.00

Chicago Title Insurance Co. / 62742
Pioneer Tower, Suite 930
888 S.W. Fifth Avenue
Portland, Or. 97204

EASEMENT AGREEMENT

DATED: March 18th, 1997

BETWEEN: APAS DIFFUSION S.A., a corporation
organized under the laws of Switzerland ("SA")
c/o Carol A. Emory, Esq.
One SW Columbia
Suite 1990
Portland, Oregon 97258

AND: FLANDERS LOFTS, LLC, an Oregon
limited liability company ("Flanders")
1882 SW Hawthorne Terrace
Portland, Oregon 97201

RECITALS:

A. Flanders owns the real property commonly known as 725 NW Flanders Avenue, Portland, Oregon upon which the Flanders Building is situated and legally described as follows (the "Flanders Property"):

Lots 2 and 3, Block 49, COUCH'S ADDITION
TO THE CITY OF PORTLAND, City of Portland,
County of Multnomah, State of Oregon

B. SA owns the real property commonly known as 422 NW 8th Avenue, Portland, Oregon, and legally described as follows (the "422 Property"):

Lot 6, Block 49, COUCH'S ADDITION TO
THE CITY OF PORTLAND, City of Portland,
County of Multnomah and State of Oregon

C. The garage area (the "Flanders Garage") of the building located on the Flanders Property (the "Flanders Lofts") is connected to the garage area (the "422 Garage") of the building located on the 422 Property (the "422 Building").

D. The parties desire to enter into this Easement Agreement (this "Agreement") to create an easement in favor of the Flanders Property for use of the parking spaces in the 422 Garage and to

PAGE 1 - EASEMENT

19

MARCH 19 1997

create certain easement rights in favor of the 422 Property with respect to the Flanders Garage.

The parties agree as follows:

SECTION 1
GRANT AND NATURE OF PARKING EASEMENT

1.01 Grant of Easement. For valuable consideration, the receipt and adequacy of which is hereby acknowledged, SA conveys to Flanders an easement (the "Parking Easement") with respect to the 422 Garage under the terms and conditions of this Agreement. The 422 Garage is situated in the southeast corner of Lot 6, Block 49, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah and State of Oregon.

1.02 Term. The Parking Easement shall expire at such time as at least fifty percent (50%) of the square footage of the Flanders Lofts ceases to be used principally for residential use for a period in excess of nine (9) months. The Parking Easement shall be appurtenant to and run with the Flanders Property (as defined in Recital A above).

1.03 Dominant Property. The Flanders Property shall be the dominant property and the 422 Property shall be the servient property with respect to the Parking Easement.

SECTION 2
USES

2.01 Flanders' Permitted Use. The Parking Easement may be used for the purpose of providing ingress, egress and parking for six (6) vehicles, one (1) vehicle in each of the six (6) parking spaces designated by striping on the date of this Agreement.

2.02 Restrictions on Flanders' Use. In connection with use of the 422 Garage, Flanders shall:

(A) Comply with all applicable laws and regulations of any public authority affecting the 422 Garage and its use, and correct, at Flanders' expense, any failure of compliance created through fault of any party other than SA or by reason of use of Flanders;

(B) Refrain from any activity which would make it impossible to insure the 422 Property against casualty or would increase the insurance rate or would prevent SA from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing SA to obtain reduced premium rates for long-term fire insurance policies, unless Flanders pays the additional cost of the insurance;

(C) Refrain from any use which would be reasonably offensive to SA, or to owners or users of other portions of the 422 Property or adjoining properties or which would tend to create a nuisance or damage the reputation of the 422 Property;

(D) Refrain from loading the floors beyond the point considered safe by a competent engineer or architect selected by SA; and

(E) Comply with any reasonable rules respecting the use of the 422 Garage promulgated by SA, from time to time, and communicated to Flanders in writing, which rules will not unreasonably restrict the use of the 422 Garage for ingress, egress and parking of the stated number of vehicles.

2.03 Use By SA. Flanders' rights to use the Parking Easement shall be on a non-exclusive basis. SA shall have the right to use the 422 Garage for any use which does not unreasonably interfere with Flanders' permitted uses under this Agreement. Additionally, SA, SA's successors and assigns, contractors, agents and employees, and the occupants and tenants of the 422 Building, shall have the right to use the 422 Garage for the following:

(A) The right of access for deliveries to, and shipments from, the tenants and occupants of the 422 Building, provided that SA shall ensure that the parking spaces in the 422 Garage are not blocked in connection with such deliveries and shipments, except as is reasonably necessary in connection with such activities. SA and the occupants and tenants of the 422 Building shall not use any of the parking spaces in the 422 Garage for parking purposes;

(B) The right to locate or construct structural elements, utility lines, pipes, cables, wires and mechanical systems serving the 422 Property (including any modifications or additions to the 422 Building) in any portion of the 422 Garage, provided that after the location of such items or completion of construction, such items do not materially interfere with use of the parking spaces. All such work shall be performed in accordance with applicable building codes; and

(C) Access in connection with the location and construction of improvements pursuant to Section 2.03(B) above or the construction of other improvements to the 422 Building or the 422 Property. All such access shall be undertaken in a manner to avoid unreasonable disruption caused to Flanders' use of the 422 Garage.

(D) Access to and from the trash and recycling containers located within the Flanders Garage, in accordance with SA's use of such containers under Section 14.01(C) below.

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(E) SA shall have the right to increase the size of the 422 Garage area by remodeling from time to time any portion of the first floor of 422 Building, not including the area included within the 422 Garage on the date of this Agreement, for parking use (any portion of such areas which is remodeled to provide parking spaces shall be referred to herein as the "422 Garage Expansion Area"). In remodeling the Garage Expansion Area, SA shall remove the wall separating such area from the 422 Garage. The additional parking spaces created by such remodel shall be for the exclusive use of the tenants and occupants of the 422 Building. The 422 Garage Expansion Area shall be designed and used in a manner that will not unreasonably interfere with the parking use of the 422 Garage by Flanders. The parking spaces created from the 422 Parking Expansion Area may extend partially into the 422 Garage, as constituted on the date of this Agreement, provided that such spaces do not unreasonably interfere with the parking spaces in the 422 Garage existing on the date of this Agreement.

SECTION 3
REPAIRS AND MAINTENANCE

3.01 Flanders' Obligations.

(A) Flanders, at Flanders' expense shall be solely responsible for maintaining all portions of the 422 Garage at all times in good and operational condition, including but not limited to, the walls (excluding exterior surfaces), ceiling, windows, floor, structural elements, door (including the automatic security door between the 422 Garage and the Flanders Garage), light fixtures, heating unit (which Flanders acknowledges is not in working conditions on the date of this Agreement), the ventilation duct from the 422 Garage up to the roof of the 422 Building and the fan located on the roof of the 422 Building which services such duct. Notwithstanding the above, Flanders shall have no obligation to repair the heater if it does not desire to provide heat to the 422 Garage, unless required by law. Flanders shall have a right to access the roof of the 422 Building for the purpose of maintaining such duct and fan during business hours and on twenty-four (24) hours written notice to SA. Except as expressly indicated in this Agreement, Flanders shall not have any obligation to maintain any pipes, ducts, wires, cables or other improvements, existing on the date of this Agreement or installed or constructed by SA thereafter, unless the foregoing are used in connection with Flanders' uses of the 422 Garage. In all events, Flanders, at Flanders' expense, shall maintain the 422 Garage in compliance with all applicable laws and regulations, including any law requiring the installation of fire sprinklers in the 422 Garage for any reason. Any improvements to the 422 Garage (including the installation of fire sprinklers) required to comply with applicable laws as a result of any improvements or

installations made by SA to the 422 Garage after the date of this Agreement shall be made at the expense of SA.

(B) On the date of this Agreement, electric service to the 422 Garage (for lighting, the ventilation fan, and other uses consistent with garage use) is provided through the electrical service for the entire 422 Building. SA shall maintain such electrical service to the 422 Garage. Flanders shall pay SA for the monthly electrical charges incurred by SA with respect to the 422 Garage (including the fan servicing the duct), based on an allocation of electrical usage for the 422 Building made by the supplier of electricity to the 422 Building. If the supplier of electricity is not willing or able to make such determination, the determination shall be made by a licensed electrician acceptable to both parties, at the expense of the Flanders. Electric charges shall be paid by Flanders within fifteen (15) days following SA's delivery of a copy of the invoice covering such month's electrical service. If the Flanders Property is converted to a condominium, within ninety (90) days after the recording of the plat creating the condominium, Flanders, at its expense, shall reconfigure the electrical wiring serving the 422 Garage so that it is supplied by electricity provided from the Flanders Property. All work shall be performed in accordance with applicable building codes and any damage caused to the 422 Garage shall be promptly repaired by Flanders, at its expense. In the event Flanders is unable to obtain a permit from the Bureau of Buildings of the City of Portland for such work, after a diligent and good faith effort during such ninety (90) day period, Flanders shall have no further obligation under this Section 3.01 to reconfigure the electrical wiring.

3.02. Shared Obligations. Flanders shall pay its pro rata share, consisting of twenty-one percent (21%), of the following costs relating to the 422 Building:

(A) Repair of sidewalks, driveways and curbs.

(B) Repair and maintenance, including painting, of the exterior walls, roof (including replacement, when reasonably necessary) and exterior electrical services and fixtures. This shall include maintaining in operating condition the doors and windows (including replacement of glass when necessary).

(C) Structural repairs and maintenance and repairs necessitated by structural disrepair or defect.

(D) Any repairs or alterations required under Flanders' obligation to comply with laws and regulations as set forth in 2.02(A) above.

(E) All other repairs to the 422 Garage which SA is not required to make under Section 3.03 below.

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3.03 SA's Obligations. SA shall be responsible for costs or repair in connection with the 422 Garage to the extent indicated in Section 6 below.

3.04 SA's Interference with Flanders. Any repairs, replacements, alterations or other work performed on or around the 422 Garage by SA shall be done in such a way as to not unreasonably interfere with use of the 422 Garage by Flanders. All pipes and conduits placed in the 422 Garage by SA after the date of this Agreement shall be placed within the walls or ceilings, in the basement space, or otherwise secured to the walls or ceiling of the 422 Garage in a manner which will not unreasonably interfere with Flanders' use. Any such work shall not result in the elimination of any parking spaces or materially interfere with the use of any parking spaces.

3.05 Reimbursement for Repairs Assumed. If either party fails or refuses to make repairs which are required by this Section 3, the other party may make the repairs and charge the actual costs of repairs to the defaulting party. Such expenditures by shall be reimbursed on demand together with interest at the rate of nine percent (9%) per annum from the date of expenditure. Except in an emergency creating an immediate risk of personal injury or property damage, neither party may perform repairs which are the obligation of the other party unless at least thirty (30) days before work is commenced the defaulting party is given notice in writing outlining with reasonable particularity the repairs required, and such party fails within that time to initiate such repairs in good faith.

3.06 Inspection of Premises. In addition to SA's other rights to use the 422 Garage set forth in this Agreement, SA shall have the right to inspect the 422 Garage at any reasonable time to determine the necessity of repair.

3.07 No Warranties. SA has not provided Flanders any representations or warranties as to the condition of the 422 Garage. The interest in the 422 Garage conveyed under this Agreement is conveyed in "AS-IS" condition, with all faults.

SECTION 4 ALTERATIONS

All fixed improvements and alterations performed on the 422 Garage by Flanders shall be the property of SA when installed unless SA has agreed otherwise in writing, or unless such improvements and alterations can be removed from the 422 Garage without damage of a permanent and non-repairable nature to the 422 Garage. If such improvements and alterations are removed by Flanders, Flanders shall be responsible for repairing any damage to the 422 Garage caused thereby.

SECTION 5
INSURANCE

5.01 Casualty Insurance. SA, at SA's expense, shall keep the 422 Building insured against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage in the full insurable value of the 422 Building. Flanders shall pay SA or its designee for Flanders' pro rata share, which shall be twenty-one percent (21.0%) of the total premiums paid for the insurance on the 422 Building. Flanders' share of such premiums shall be paid within fifteen (15) days after SA's delivery to Flanders of a copy of the insurer's invoice for the premium. Flanders shall bear the expense of any insurance insuring any personal property, fixtures or equipment installed, constructed or located in the 422 Garage by Flanders against such risks, but shall not be required to insure. SA shall have the right, but not the obligation, to acquire and maintain earthquake coverage at any time, in which event Flanders shall be obligated to pay twenty-one percent (21.0%) of the total premium for such coverage.

5.02 Waiver of Subrogation. The parties shall obtain from their respective insurance carriers waivers of subrogation against the other party and such party's agents, contractors, employees and invitees. Neither party shall be liable to the other for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement if such insurance was obtainable at the time of such loss or damage. The party benefiting from a waiver of subrogation clause in an insurance policy shall pay any additional premium required to obtain such a clause within ten (10) days after being notified by the other party of such additional cost unless the benefiting party can obtain such insurance without the additional cost from another insurance carrier satisfactory to the first party.

DAMAGE AND DESTRUCTION; RIGHT TO DEMOLISH

6.01 Partial Damage. If the 422 Garage is partly damaged and Section 6.02 below does not apply, the 422 Garage shall be repaired as follows:

(A) If the damage is caused by a risk which would be covered by a standard fire insurance policy with an endorsement for extended coverage, repair shall be made at the expense of SA, whether or not the damage occurred as the result of fault on the part of Flanders. If the damage occurred as a result of one or more earthquakes and earthquake coverage is in effect, then to the extent insurance proceeds are available from such coverage, repair shall be at the expense of SA.

(B) If the damage occurred from a risk which would not be covered by insurance of the kind described in Section 6.01 (A) above, or if available insurance proceeds are not sufficient to cover the repair cost, repairs for which there are no available insurance proceeds (including the deductible on the insurance policy) shall be performed at the expense of Flanders, except as indicated below. If the damage was caused by SA or any tenant or occupant of the 422 Building or any invitee of SA, SA shall be responsible for any such uninsured damage (including the deductible on the insurance policy) to the extent caused by SA or such tenant, occupant or invitee.

(C) Notwithstanding Section 6.01(B) above, the cost of repairing any uninsured damage (including the deductible on the insurance policy) to a structural element which is not the fault of either or both parties, their respective invitees or the occupants or invitees of their respective properties, shall be allocated between the parties in proportion to the relative benefit received by the 422 Garage and the other portions of the 422 Building. The relative benefit shall be determined by a licensed structural engineer acceptable to both parties, with each party being responsible for one-half (1/2) of the engineer's fee for making such determination. Flanders shall be responsible for the portion of the cost of repair allocated to the 422 Garage and SA shall be responsible for the portion allocated to the remainder of the 422 Building.

(D) In any event repairs shall be accomplished with all reasonable dispatch subject to interruptions and delays from labor disputes and matters beyond the control of the party responsible, and shall be performed in accordance with the provisions of Section 3.04 above.

All repair work shall be performed by SA, subject to the terms set forth in this Section 6.01 and the other provisions of this Agreement. Flanders shall make payments directly to the contractors performing the work, as amounts are due, in accordance with instructions provided by SA. All work shall be performed on a competitive bid basis and at least three (3) bids shall be obtained from parties unrelated to SA. SA shall keep Flanders generally informed of all work being performed and costs being incurred and shall provide information to Flanders concerning such work upon request by Flanders.

6.02 Destruction. If the 422 Garage is fifty percent (50%) or more destroyed, then SA shall proceed as follows (unless SA elects to demolish the 422 Building in accordance with Section 6.03):

(A) SA shall proceed to restore the 422 Property to substantially the same form as prior to the damage or destruction so as to provide Flanders six (6) parking spaces equivalent to

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those provided before the damage. Work shall be commenced as soon as reasonably possible and thereafter shall proceed without interruption except for work stoppages on account of labor disputes and matters not under the reasonable control of SA.

(B) The cost of restoration shall be allocated among the parties in the same manner indicated in Section 6.01 above.

(C) In either event payments under Sections 3.01 and 3.02 above shall be abated from the date of damage except when the damage occurs because of the fault of Flanders and SA elects to rebuild.

6.03 Right to Demolish. SA shall have the right to demolish the 422 Building, partially or in its entirety, at any time upon the delivery of thirty (30) days' written notice to Flanders. Upon such demolition, SA shall be obligated to provide an alternative parking facility at SA's expense for six (6) automobiles which is contiguous with the Flanders Property. Such alternative parking facility shall be substantially comparable to the 422 Garage in terms of convenience and security. This Agreement shall remain in effect with respect to such alternative parking facility and each of the parties shall be subject to all of their respective obligations under this Agreement with respect to the alternative parking facility, including but not limited to, their respective repair and maintenance obligations under Section 3 above. Subsequent to demolition of the 422 Building and prior to completion of the new alternative parking facility, SA, at SA's expense, shall provide Flanders six (6) temporary parking spaces on property other than the 422 Property. The temporary parking spaces shall be located within a reasonable distance from the Flanders Property, although such spaces need not be as convenient as the parking spaces located in the 422 Garage.

SECTION 7 EMINENT DOMAIN

7.01 Partial Taking. If a portion of the 422 Garage is condemned and Section 7.02 does not apply, the Parking Easement shall continue on the following terms:

(A) SA and Flanders shall share the proceeds of any condemnation in relation to their respective interests.

(B) SA shall proceed as soon as reasonably possible to make such repairs and alterations to the 422 Garage as are necessary to restore the remaining premises to a condition as comparable as reasonably practicable to that existing at the time of the condemnation. SA may, but shall not be required to, perform alterations prior to the actual taking after the portion to be taken has been finally determined.

(C) If a portion of the 422 Property not included in the 422 Garage is taken and severance damages are awarded on account of the 422 Garage, or an award is made for detriment to the 422 Garage as a result of change of grade of adjacent streets or other activity by a public body not involving a physical taking of any portion of the land, this shall be regarded as a partial condemnation to which Sections 7.01(A) and 7.01(B) apply.

7.02 Total Taking. If a condemning authority takes all of the 422 Garage or a portion sufficient to render the remaining premises reasonably unsuitable for the use which Flanders was then making of the 422 Garage, the Parking Easement shall terminate as of the date the title vests in the condemning authorities. SA and Flanders shall share the proceeds of any condemnation in relation to their respective interests.

7.03 Sale in Lieu of Condemnation. Sale of all or part of the 422 Garage to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purposes of this Section 7 as a taking by condemnation.

SECTION 8 LIABILITY TO THIRD PERSONS

8.01 Construction Liens.

(A) Except with respect to activities for which SA is responsible, Flanders shall pay as due all claims for work done on and for services rendered or material furnished to the 422 Garage, at the request of SA and shall keep the 422 Property free from any liens. If Flanders fails to pay any such claims or to discharge any lien, SA may do so and collect the cost from Flanders and any amount so added shall bear interest at the rate of nine percent (9%) per annum from the date expended by SA and shall be payable on demand. Such action by SA shall not constitute a waiver of any right or remedy which SA may have on account of Flanders's default.

(B) Flanders may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, so long as SA's property interests are not jeopardized. If a lien is filed as result of nonpayment, Flanders shall, within ten (10) days after knowledge of the filing, secure the discharge of the lien or deposit with SA cash or a sufficient corporate surety bond or other surety satisfactory to SA in an amount sufficient to discharge the lien plus any costs, attorney fees and other charges that could accrue as a result of a foreclosure or sale under the lien.

8.02 Indemnification. Flanders shall indemnify and defend SA from any claim, loss or liability arising solely out of or related

to any activity of Flanders on the 422 Garage or any condition of the 422 Garage solely in the possession or under the control of Flanders except to the extent any such claim, loss or liability was caused or contributed to in whole or in part by SA's own negligence or failure to effect any repair or maintenance required by this Agreement. Flanders' duty to indemnify shall not apply to or prevent any claim by Flanders against SA for injury or damage to the 422 Property for which SA may be liable.

8.03 Liability Insurance. Flanders shall maintain the following insurance at Flanders' cost: Public liability and property damage insurance in a responsible company with an aggregate limit of not less than Two Million and no/100 Dollars (\$2,000,000.00) and a per occurrence limit of not less than One Million and no/100 Dollars (1,000,000.00). SA shall have the right to require Flanders to increase the limits of such coverage from time to time, provided that Flanders shall not be required to maintain limits in excess of that generally required by institutional lenders providing financing at such time secured by properties located in Portland, Oregon, comparable to the 422 Building in terms of size, age, use and market value. Such insurance shall cover all risks arising directly or indirectly out of Flanders' activities or any condition of the 422 Garage, whether or not related to an occurrence caused or contributed to by SA's negligence, shall protect Flanders against the claim of SA on account of the obligations assumed by Flanders under Section 8.02, and shall protect SA and Flanders against claims of third persons. Certificates evidencing such insurance and bearing endorsements requiring thirty (30) days written notice to SA prior to any change or cancellation shall be furnished to SA prior to Flanders's occupancy of the property.

SECTION 9
QUIET ENJOYMENT

SA warrants that it is the owner of the 422 Property and has the right to convey the Parking Easement free of all monetary encumbrances, other than the lien of current and deferred property taxes. SA further warrants that this Agreement, and the rights arising from this Agreement, are not subject to any monetary encumbrances, except for the lien of current and deferred property taxes. SA will defend Flanders' right to quiet enjoyment of the 422 Garage from the lawful claims of all persons during the Parking Easement term.

SECTION 10
ASSIGNMENT

Except as expressly permitted under this Agreement, no part of the rights granted to Flanders under this Agreement with respect to the 422 Garage may be assigned or conveyed, nor may a right of use of any portion of the 422 Garage conferred on any

third person by any other means, except in connection with a transfer of an interest in the Flanders Lofts, including any interest transferred pursuant to a lease or rental agreement. SA acknowledges that Flanders intends to convert the Flanders Lofts into a condominium. In connection with such conversion, Flanders shall have the right to transfer undivided interests in the Parking Easement to purchasers of the condominium units, subject to the terms and conditions of this Agreement.

SECTION 11
DEFAULT OF FLANDERS

Flanders shall be in default of its obligations under this Agreement in the event it fails to comply with any of its covenants or obligations under this Agreement within twenty (20) days after written notice by SA specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the twenty (20) day period, and if Flanders thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable, a default shall be deemed to have not occurred unless Flanders ceases to pursue the remedy to its completion. Notwithstanding the foregoing, the cure period for a default shall be sixty (60) days if the termination remedy set forth in Section 12.01 is to be exercised.

SECTION 12
REMEDIES ON DEFAULT OF FLANDERS

12.01 Termination. In the event of a default by Flanders, the Parking Easement may be terminated at the option of the SA by notice in writing to Flanders. The notice may be given before or within thirty (30) days after the running of the grace period for default and may be included in a notice of failure of compliance given under Section 11 above.

12.02 Damages Without Termination. If the Parking Easement is not terminated by election of SA or otherwise, SA shall be entitled to recover damages from Flanders for the default.

12.03 Re-entry After Termination. If the Parking Easement is terminated for any reason, Flanders's liability to SA for damages shall survive such termination, and the rights and obligations of the parties shall be as follows:

(A) Flanders shall vacate the 422 Garage immediately and remove any property of Flanders, including any fixtures which Flanders is required to remove at the end of the Parking Easement term, perform any clean up, alterations or other work required to leave the 422 Garage in the condition required at the end of the term, and deliver all keys to SA.

(B) SA may re-enter, take exclusive possession of the 422 Garage and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

12.04 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to SA under applicable law.

SECTION 13
SURRENDER AT EXPIRATION

13.01 Condition of Premises. Upon expiration of the Parking Easement or earlier termination on account of default, Flanders shall surrender the 422 Garage in good and operational condition and broom clean. Alterations constructed by Flanders with permission from SA shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Depreciation and wear from ordinary use for the purpose for which the Parking Easement was granted need not be restored, but all repair for which Flanders is responsible shall be completed to the latest practical date prior to such surrender.

13.02 Fixtures.

(A) All fixtures placed in the 422 Garage during the term shall, at SA's option, become the property of SA.

(B) If SA so elects, Flanders shall remove any or all fixtures which would otherwise remain the property of the SA, and shall repair any physical damage resulting from the removal. If Flanders fails to remove such fixtures, SA may do so and charge the cost to Flanders with interest at nine percent (9%) per annum from the date of expenditure. Flanders shall remove all of its property. If Flanders fails to do so following five (5) days' written notice, the property shall be deemed to be abandoned, and SA may retain the property and all rights of Flanders with respect to it shall cease. Alternatively, by notice in writing given to Flanders within twenty (20) days after removal was required, SA may elect to hold Flanders to its obligation of removal. If SA elects to require Flanders to remove, SA may effect a removal and place the property in public storage for Flanders' account. Flanders shall be liable to SA for the cost of removal, transportation to storage, and storage, with interest at nine percent (9%) per annum on all such expenses from the date of expenditure by SA.

(C) The time for removal of any property or fixtures which Flanders is required to remove from the 422 Garage upon termination shall be as follows:

(1) On or before the date the Parking Easement terminates because of default under Sections 11 and 12.

(2) Within thirty (30) days after notice from SA requiring such removal where the property to be removed is a fixture which Flanders is not required to remove except after such notice by SA, and such date would fall after the date on which Flanders would be required to remove the other property.

SECTION 14 FLANDERS GARAGE EASEMENTS

14.01 Grant of Easements. Flanders grants SA and its successors and assigns non-exclusive easements (collectively, the "Flanders Easements") to use such portions of the Flanders Garage as may be reasonably required for the following purposes:

(A) The right of access thought the Flanders Garage by SA and its invitees, contractors, employees and agents in connection with deliveries to and shipments from the tenants and occupants of the 422 Property. Such deliveries shall be conducted in a manner which will avoid unreasonable disruption of the use of the parking spaces in the 422 Garage and the Flanders garage by the occupants and tenants of the Flanders Lofts.

(B) The right of access through the Flanders Garage for any repair, maintenance and construction activities conducted by SA or any tenants or occupants of the 422 Property.

(C) The right to use trash containers and recycling containers located within the Flanders Garage of every type available for use by the occupants and tenants of the Flanders Lofts (collectively, "Trash Receptacles"). SA and the tenants and occupants of the 422 Building shall have the right to use the Trash Receptacles for all of their trash and recycling needs in connection with the 422 Building. Flanders also grants to SA and its successors and assigns the right of access from the 422 Property Garage across the Flanders Garage in connection with use of the Trash Receptacles. SA shall be responsible for sixteen percent (16%) of the cost of disposal and recycling services provided in connection with the Trash Receptacles, except as indicated below. Such amount shall be paid within fifteen (15) days following Flanders' delivery of copies of the invoices of the trash disposal and recycling contractors providing services to the Flanders Building. During any period SA or the tenants or occupants of the 422 Building utilize the Trash Receptacles for an extraordinarily large volume of trash disposal or recycling, SA

shall be responsible for the percentage of the cost of such services which corresponds to the proportionate use of the Trash Receptacles between the 422 Building and the Flanders Lofts. In no event shall the Trash Receptacles be used by either party for the disposal of any hazardous, toxic or infectious substance or material.

(D) In the event SA elects to remodel the 422 Garage Expansion Area to provide parking spaces for the occupants and tenants of the 422 Building, SA and the occupants and tenants of the 422 Building shall have the right of access across the Flanders Garage in connection with the use of such additional parking spaces.

14.02 Electric Garage Door Openers. Upon request by SA, Flanders shall provide SA and the tenants and occupants of the SA Property with remote control garage door openers allowing access to the electric garage door providing access to the Flanders Garage on the date of this Agreement and any replacement garage door. Flanders shall present a copy of the invoice for the garage door openers to SA at the time Flanders delivers the garage door openers to SA. Following receipt of such invoice and openers, SA shall promptly reimburse Flanders for the actual cost incurred by Flanders in purchasing the openers.

14.03 Maintenance and Repair; Property Taxes. SA shall have no obligation with respect to the maintenance and repair of the Flanders Garage or the Flanders Property, provided that SA shall be responsible for all damage caused to the Flanders Property by SA's use, but not including damage resulting from ordinary wear and tear or damage covered by a standard fire insurance policy with an endorsement for extended coverage. SA shall have no responsibility for payment of property taxes related to the Flanders Property.

14.04 Dominant Property; Duration. The Flanders Easements shall be appurtenant to the 422 Property and shall run with the land. The 422 Property shall be the dominant property and the Flanders Property shall be the servient property with respect to the Flanders Easements. The duration of the Flanders Easements shall be perpetual, subject to Section 16 below.

SECTION 15 DEFAULT OF SA

SA shall be in default of its obligations under this Agreement in the event it fails to comply with any of its covenants or obligations under this Agreement within twenty (20) days after written notice by SA specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the twenty (20) day period, and if SA thereafter proceeds with reasonable

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diligence and in good faith to effect the remedy as soon as practicable, a default shall be deemed to have not occurred unless SA ceases to pursue the remedy to its completion. Notwithstanding the foregoing, the cure period for the default shall be sixty (60) days if the termination remedy set forth in Section 18.01 is to be exercised.

SECTION 16
REMEDIES ON DEFAULT OF SA

16.01 Termination. In the event of a default by SA, the Flanders Easements may be terminated at the option of the Flanders by notice in writing to SA. The notice may be given before or within thirty (30) days after the running of the grace period for default and may be included in a notice of failure of compliance given under Section 15 above.

16.02 Damages Without Termination. If the Flanders Easements are not terminated by election of Flanders or otherwise, Flanders shall be entitled to recover damages from SA for the default.

16.03 Re-entry After Termination. If the Flanders Easements are terminated for any reason, SA's liability to Flanders for damages shall survive such termination.

SECTION 17
LIENS

If either party fails to pay for its share of any expense or cost under this Agreement within fifteen (15) days after delivery of written notice of such failure, the non-defaulting party shall have the immediate right to record a lien against the property of the other party which is subject to this Agreement in the amount owed. The amount of the lien shall include interest at the rate of nine percent (9%) per year from the date of the expenditures. The priority of the lien shall relate from the date of the recording of such lien. The foreclosure of such lien shall be pursuant to the provisions of ORS 87.060 (governing the foreclosure of construction liens), as amended from time to time, or any successor statute.

SECTION 18
FLANDERS' RIGHT TO TERMINATE PARKING EASEMENT

Flanders shall have the right to terminate the Parking Easement at any time by delivery of written notice to SA, subject to the following:

(A) all obligations of Flanders which have not been performed in full at the time of termination shall survive the termination of the Parking Easement;

(B) all indemnification obligations of Flanders under Section 8.02 of the Agreement relating to the period prior to termination shall survive the termination of the Parking Easement; and

(C) the notice of termination shall include a document amending this Agreement executed by Flanders, in recordable form and reasonably acceptable to SA, indicating that (i) the Parking Easement has been terminated in accordance with this Section 18 and reciting Flanders' continuing obligations under this Agreement, as set forth in this Section 18, (ii) Flanders has no further rights with respect to the 422 Garage, and (iii) modifying the Flanders Easements to allow access to and from all of the 422 Garage parking spaces by SA, any tenant or occupant of the 422 Building, and any invitee or any of the foregoing.

SECTION 19
MISCELLANEOUS

19.01 Nonwaiver. Waiver by either party of strict performance of any provisions of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

19.02 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court may adjudge reasonable as attorney fees.

19.03 Notices. Any notice required or permitted under this Agreement shall be given when actually delivered or when deposited in the United States mail, as certified mail (except that any notice sent to an address in Switzerland shall be sent by registered mail) addressed as follows:

To SA: APAS DIFFUSION S.A.
c/o Carol A. Emory, Esq.
One SW Columbia Street
Suite 1990
Portland, Oregon 97258

with a copy to: APAS DIFFUSION S.A.
c/o Guy Girod
Avenue du Bouchet 18A
1209 Geneve
SWITZERLAND

To Flanders: Flanders Lofts, LLC
1882 SW Hawthorne Terrace
Portland, Oregon 97201
Attention: Terrence P. Bean

or to such other address as may be specified from time to time by any of the parties in writing.

19.04 Succession. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

19.05 Recordation. This Agreement shall be recorded.

19.06 Applicable Law. The parties agree that this Agreement shall be subject to the law of the State of Oregon for all purposes.

19.07 Prior Agreements. This Agreement is the entire, final and complete agreement of the parties with respect to the matters relating to the Parking Easement and the Flanders Easements, and supersedes and replaces all written and oral agreements previously made or existing by and between the parties or their representatives with respect to such matters. Concurrent with the execution of this Agreement, the parties have entered into a Party Wall Agreement relating to a party wall shared by the 422 Building and Flanders Lofts. This Agreement is not intended to modify or supersede such Party Wall Agreement in any respect.

19.08 Validity of Provisions. If any of the provisions Parking Easement shall be invalid, illegal, or respect, the validity of the remaining provisions in this Agreement shall not be affected.

APAS DIFFUSION S.A., a corporation organized under the laws of Switzerland

By: Carol A. Emory
Its: Attorney-in-Fact

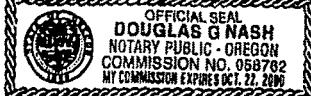
FLANDERS LOFTS, LLC, an Oregon limited liability company

By: T&S Properties, LLC, an Oregon limited liability company

By: Terry P. Bean
Its: Terrence P. Bean

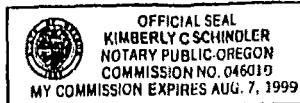
STATE OF OREGON)
County of Multnomah) ss.

this 18th day of March, 1997, by Carol A. Emory, who is the attorney-in-fact of APAS Diffusion S.A., a corporation organized under the laws of Switzerland on behalf of such corporation.



STATE OF OREGON)
County of Multnomah) ss.

this 18th day of March, 1997, by Terrence P. Bean ^{Scot#B}, who is the ^{one} member of T&S Properties, LLC, an Oregon limited liability company, in its capacity as members of Flanders Lofts, LLC, an Oregon limited liability company.



KC
Notary Public For Oregon
Commission expires:

8/7/99

PAGE 19 ~ EASEMENT

MARCH 19 / 1997

Chicago Title Insurance Co. / 6271/2
Pioneer Tower, Suite 930
888 S.W. Fifth Avenue
Portland, OR 97204

Recorded in the County of Multnomah, Oregon
C. Swick, Deputy Clerk

43.00

97039681 12:24pm 03/19/97

001 20007600 02 13
A01 8 0.00 40.00 3.00 0.00 0.00 0.00

AFTER RECORDING RETURN TO:

JONATHAN V. BARG
ATTORNEY AT LAW
One SW Columbia Street
Suite 1990
Portland, Oregon 97258

PARTY WALL AGREEMENT

DATED: March 18, 1997

BETWEEN: APAS DIFFUSION S.A., a corporation ("SA")
organized under the laws of
Switzerland
c/o Carol A. Emory, Esq.
One SW Columbia Street
Suite 1990
Portland, Oregon 97258

AND: FLANDERS LOFTS, LLC, an Oregon ("Flanders")
limited liability company
1882 SW Hawthorne Terrace
Portland, Oregon 97201

RECITALS:

A. SA is the owner of the real property commonly known as 422 NW Eight Avenue, Portland, Oregon, and legally described as: Lot 6, Block 49, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah, State of Oregon (the "422 Property"). The 422 Property is improved with a two-story building (the "422 Building").

B. Flanders is the owner of the real property commonly known as 725 NW Flanders Street, Portland, Oregon, and legally described as Lots 2 and 3, Block 49, COUCH'S ADDITION TO THE CITY OF PORTLAND, in the City of Portland, County of Multnomah, and State of Oregon (the "Flanders Property"). The Flanders Property is improved with a six (6) story building (the "Flanders Lofts").

C. The south wall of the 422 Building is part of a common with the north wall of the Flanders Lofts (such wall is referred to herein as the "Party Wall").

D. The extent to which the Party Wall is situated on the 422 Property and the Flanders Property is not known by the parties on the date of this Party Wall Agreement (this "Agreement").

E. The parties desire to establish their respective rights and obligations with respect to the Party Wall through this Agreement.

The parties agree as follows:

SECTION 1 DECLARATION OF PARTY WALL

In consideration of the mutual covenants of the parties to this Agreement, the parties agree that the Party Wall, and any extensions of it, shall be legally deemed to be a party wall in all respects.

SECTION 2 USE OF PARTY WALL

Either party shall have the right to use the side of the Party Wall facing the party's property in any lawful manner, including attaching structural or finishing materials to it. However, a party shall not create windows or doors or place air conditioning equipment in the Party Wall.

SECTION 3 DAMAGE AND REPAIRS

3.1 In the event of any damage or destruction of the Party Wall from any cause, other than the negligence of either party and except as provided in Section 5 of this Agreement, SA and Flanders shall, at joint and equal expense, repair or rebuild the Party Wall on the same exact location, and at the same size, and of the same or similar material and like quality with the Party Wall existing on the date of this Agreement.

3.2 The parties agree that repairs and reconstruction of the Party Wall shall be undertaken, if and when a condition arises which may result in damage or injury to person or property if repair or construction work is not undertaken. Either party, upon discovering the possibility of damage or destruction, shall notify the other of the nature of the damage, the work required to remedy the situation, and the estimated cost of the repair or reconstruction. The other party shall then have twenty (20) days from the receipt of the notice either to object to the repairs or reconstruction or to pay the party's share of the cost of the work. However, in the event of an emergency (i.e., a condition that is immediately threatening to the safety of persons or property) the other party shall then have five (5) days from the receipt of the notice, which notice shall state that an emergency exists, either to object or the repairs or reconstruction or to pay the party's share of the cost of the work.

3.3 If either party's negligence shall cause damage to or destruction of the Party Wall, the negligent party shall bear the entire cost of repair or reconstruction.

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3.4 If either party shall neglect or refuse to pay such party's share of the cost of repair or restoration, or all of the cost in case of negligence, the other party may have the wall repaired or restored and shall have lien rights against the property of the other party under Section 8 below.

3.5 In the event of destruction to the Party Wall (i.e., where eighty percent (80%) or more of the Party Wall is destroyed by fire, earthquake or other cause) (an "Event of Destruction") neither party shall be obligated to repair or restore the Party Wall and this Agreement shall terminate thirty (30) days following the occurrence of the Event of Destruction without further action of the parties. Notwithstanding the foregoing, either party shall have the right to repair or restore the Party Wall at such party's expense, provided that (i) written notice is delivered to the other party within thirty (30) days following the Event of Destruction; and (ii) the restoration shall be subject to the following:

3.5.1 The party which repairs or restores the Party Wall (the "Restoring Party") shall be solely responsible for the cost of such work and for all maintenance and repair costs. Upon completion of such work, the Restoring Party shall notify the party not participating in the repair or restoration (the "Non-Participating Party") of the actual cost of such work (the "Restoration Cost"). The Restoring Party shall provide the Non-Participating Party with reasonable proof of the Restoration Cost promptly upon written request by the Non-Participating Party;

3.5.2 The Non-Participating Party shall not have any right to use the Party Wall for any purpose until such time as the Non-Participating Party reimburses the Restoring Party for fifty percent (50%) of the Restoration Cost. Following the Non-Participating Party's payment of Restoration Cost, the Non-Participating Party shall have the right to use the Party Wall in accordance with Section 2 and the other terms of this Agreement. Upon the commencement of the Non-Participating Party's use of the Party Wall, it shall be responsible for its share of all future maintenance and repair costs under Section 3; and

3.5.3 The Restoring Party shall proceed with reasonable diligence to repair the Party Wall.

SECTION 4 EASEMENTS

4.1 Each party to this Agreement, and its respective successors and assign, shall have an easement in that part of the land of the other party on which the Party Wall is located, as may be necessary to carry out the terms of this Agreement.

4.2 Each party and its respective successors, assigns, contractors, licensees, agents and employees shall have an

easement in that part of the land of the other party necessary or desirable to repair, restore, or extend the Party Wall.

4.3 Either party to this Agreement shall permit the other party and such other party's contractors, licensees, agents and employees to enter its property for the purpose of repairing, restoring and/or extending the Party Wall, and shall secure the permission of the tenants, if any, occupying the property for such entrance.

SECTION 5 EXTENSION OF PARTY WALL

5.1 Either party may at any time, upon thirty (30) days' notice to the other party, extend the Party Wall horizontally or vertically. The notice shall include copies of the plans and specifications applicable to the proposed extension or addition. The part of the Party Wall that is to be extended shall become part of the Party Wall. All work shall be performed in a manner to reasonably minimize the damage to the premises of the other party. The party performing the work shall pay for the cost of repairing any damage to the premises to the other party.

5.2 In the event that either party desires to increase the thickness of the Party Wall for the purposes of increasing its height and it is necessary or desirable, in the reasonable judgment of such party, that a portion of the footing required to sustain the increased thickness be placed beneath the property of the other party, then it may be so placed at the sole cost of the party desiring the additional footing. The footing shall be constructed in accordance with engineering standards then prevailing in Portland, Oregon, in a manner so as not to endanger the Party Wall or any building on the land of the other party. In addition, the party at whose instance the footing shall be built shall be liable for any and all damages occasioned by the construction work performed on the land of the other party.

5.3 The party extending or adding to the Party Wall may use the increased portion for the party's building, provided that the extension or addition is constructed in a manner which can safely sustain the Party Wall for both parties' buildings if both buildings were increased in height and size to that to which the building of the party extending the Party Wall is increased in height and size. All extensions of the Party Wall shall be constructed in compliance with all laws and ordinances in force and effect at the time.

5.4 The party extending or adding to the Party Wall shall be responsible for the cost and expense of building the extension and addition and thereafter restoring or repairing it as provided in Section 3 of this Agreement.

5.5 After the Party Wall has been extended or added to by one party, the other party may use the increased portion for the party's building, provided that after the other party commences to use such increased portion of the Party Wall, the parties shall each share one-half (1/2) the cost of maintenance and repair of the Party Wall, as provided in Section 3 of this Agreement. If either party constructs a wall or adds structural support within such party's respective property which is not physically connected to the Party Wall, the other party shall not have any right to use such new wall or structural support.

5.6 This Section shall continue to be applicable to any and all subsequent extensions or additions to the Party Wall.

5.7 Any extension of or addition to the Party Wall shall be built in a substantial and workmanlike manner of like durability, strength, and fire-resisting qualities to the Party Wall and shall conform in all respects with all applicable laws and ordinances.

SECTION 6 INSURANCE

6.01 Each party, at its own expense, shall keep its property insured against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage in the full insurable value of the improvements on the property.

6.02 The parties shall obtain from their respective insurance carriers waivers of subrogation against the other party and such party's agents, contractors, employees and invitees. Neither party shall be liable to the other for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement if such insurance was obtainable at the time of such loss or damage.

6.03 Each party shall furnish to the other party proof of its coverage in accordance with this Section, promptly upon request.

SECTION 7 INDEMNIFICATION

Each of the parties agrees to indemnify the other against the party's share of liability for injury or personal or property damage, when such injury or damage shall result from, arise out of, or is attributable to any maintenance or repair undertaken pursuant to Section 3 of this Agreement.

SECTION 8 LIEN RIGHTS

If either party fails to pay for its share of any expense or cost under this Agreement within fifteen (15) days after delivery

PAGE 5 - PARTY WALL AGREEMENT

MARCH 19 / 997

of written notice of such failure, the non-defaulting party shall have the immediate right to record a lien against the property of the other party which is subject to this Agreement in the amount owed. The amount of the lien shall include interest at the rate of nine percent (9%) per year from the date of the expenditures. The priority of the lien shall relate from the date of the recording of such lien. The foreclosure of such lien shall be pursuant to the provisions of ORS 87.060 (governing the foreclosure of construction liens), as amended from time to time, or any successor statute.

SECTION 9 BINDING UPON SUBSEQUENT OWNERS

This Agreement shall run with and bind the land, and shall insure to the benefit of and be enforceable by a party owning any interest in the 422 Property or the Flanders Property. This Agreement shall be binding upon the successors and assigns of the parties.

SECTION 10 MISCELLANEOUS

10.1 Amendment. No amendment to this Agreement shall be effective unless and until executed by all parties owning any interest in the 422 Property and the Flanders Property and recorded in the land records of Multnomah County, Oregon.

10.2 Attorneys' Fees. If a suit, action or other proceeding of any nature whatsoever (including any preceding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights hereunder, the prevailing party shall be entitled to recover its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review, in addition to all other amounts provided by the law.

10.3 Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

10.4 Construction and Interpretation. The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretations of any provision of this Agreement. The use in this Agreement of the words "including", "such as", and words of similar import following any general statement, terms, or matter shall not be construed to limit such statement, terms or matter in any manner, whether or not language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could

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reasonably fall within the scope of the general statement, term, or matter. All provisions of this Agreement have been negotiated at arms length and this Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision thereof.

10.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

10.6 Integration. This Agreement contains the entire agreement and understanding of the parties with respect to the Party Wall and supersedes all prior and contemporaneous agreements between them with respect hereto. Concurrent with the execution of this Agreement by the parties, the parties have entered into an Easement Agreement relating to the garage areas of the 422 Building and the Flanders Lofts.

10.7 Notices. Notices under the Agreement shall be in writing and shall be effective when actually delivered or three (3) days after being deposited in the United States Mail, certified, return receipt requested, directed to the other party at the address set forth on the first page of this Agreement, or to such other address as the party may indicate by written notice to the other party. Additionally, a copy of any notice delivered to SA under this Agreement shall be delivered in accordance with the procedure set forth in this Section 10.7 (however, delivery shall be by registered mail, rather than by certified mail) to the following:

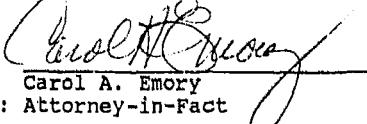
APAS DIFFUSION S.A.
c/o Guy Girod
Avenue du Bouchet 18A
1209 Geneve
SWITZERLAND

10.8 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10.9 Waiver. Failure of either party at any time to require performance of any provision of this Agreement shall not limit such party's right to enforce such provision, nor shall any waiver of any breach of any provision of the Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. No waiver of any provision of this

Agreement shall be effective unless set forth in writing and signed by the party to be bound.

APAS DIFFUSION S.A., a corporation organized under the laws of Switzerland

By: 
Carol A. Emory
Its: Attorney-in-Fact

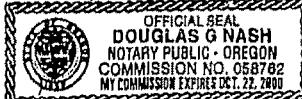
FLANDERS LOFTS, LLC, an Oregon limited liability company

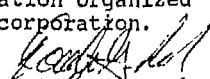
By: T&S Properties, LLC, an Oregon limited liability company

By: 
Its: 

STATE OF OREGON)
County of Multnomah) ss.

The foregoing instrument was acknowledged before me on this 18th day of March, 1997, by Carol A. Emory, who is the attorney-in-fact of APAS Diffusion S.A., a corporation organized under the laws of Switzerland, on behalf of such corporation.

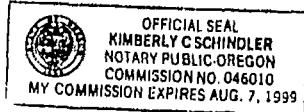



Notary Public For Oregon
My Commission Expires Oct. 22, 2000

STATE OF OREGON)
County of Multnomah)

The foregoing instrument was acknowledged before me on this 18th day of March, 1997, by Terrence P. Bean & Scott D. Schindler, who are is the members of T&S Properties, LLC, an Oregon limited liability company, in its capacity as members of T&S Properties, LLC, an Oregon limited liability company.

PAGE 8 - PARTY WALL AGREEMENT




Notary Public For Oregon
Commission Expires: 8/7/99

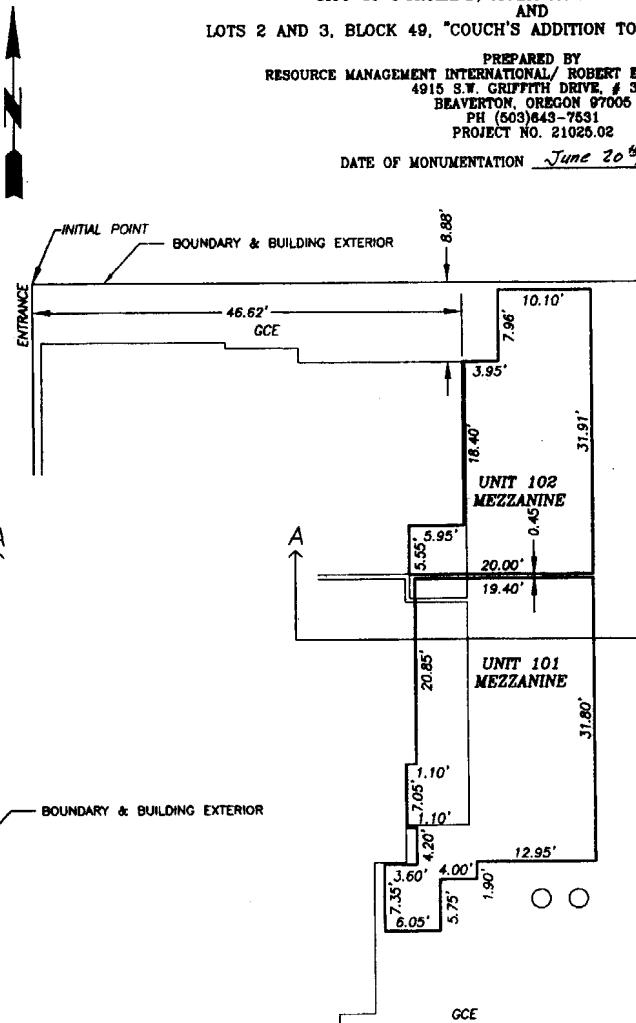
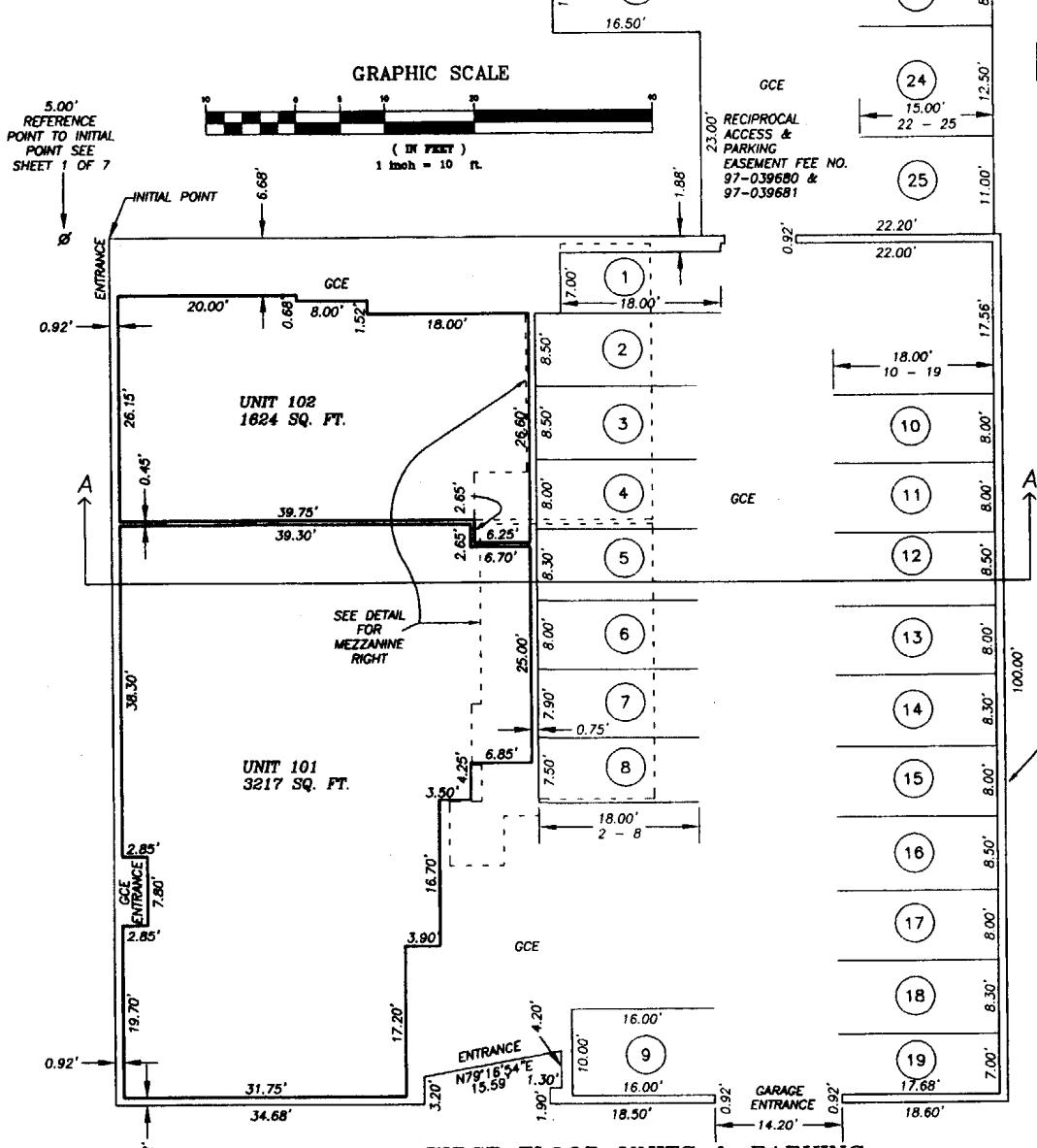
MARCH 19 / 1997

FLANDERS LOFTS, A CONDOMINIUM

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON

AND
LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

PREPARED BY
RESOURCE MANAGEMENT INTERNATIONAL / ROBERT E. MEYER CONSULTANTS
4915 S.W. GRIFFITH DRIVE, # 300
BEAVERTON, OREGON 97005
PH (503)649-7531
PROJECT NO. 21025.02

DATE OF MONUMENTATION June 20th, 1991

FIRST FLOOR MEZZANINE

CERTIFICATION

I, ROBERT TAYLOR, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT OF "FLANDERS LOFTS, A CONDOMINIUM" FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE UNITS AND OF THE BUILDINGS, AS DEPICTED ON THE PLAT, AND CONSTRUCTION OF SAID UNITS AND BUILDINGS HAS BEEN COMPLETED.

DATED THIS 20th DAY OF JUNE, 1997.BY: *Robert Taylor*

G. ROBERT TAYLOR, PLS 937



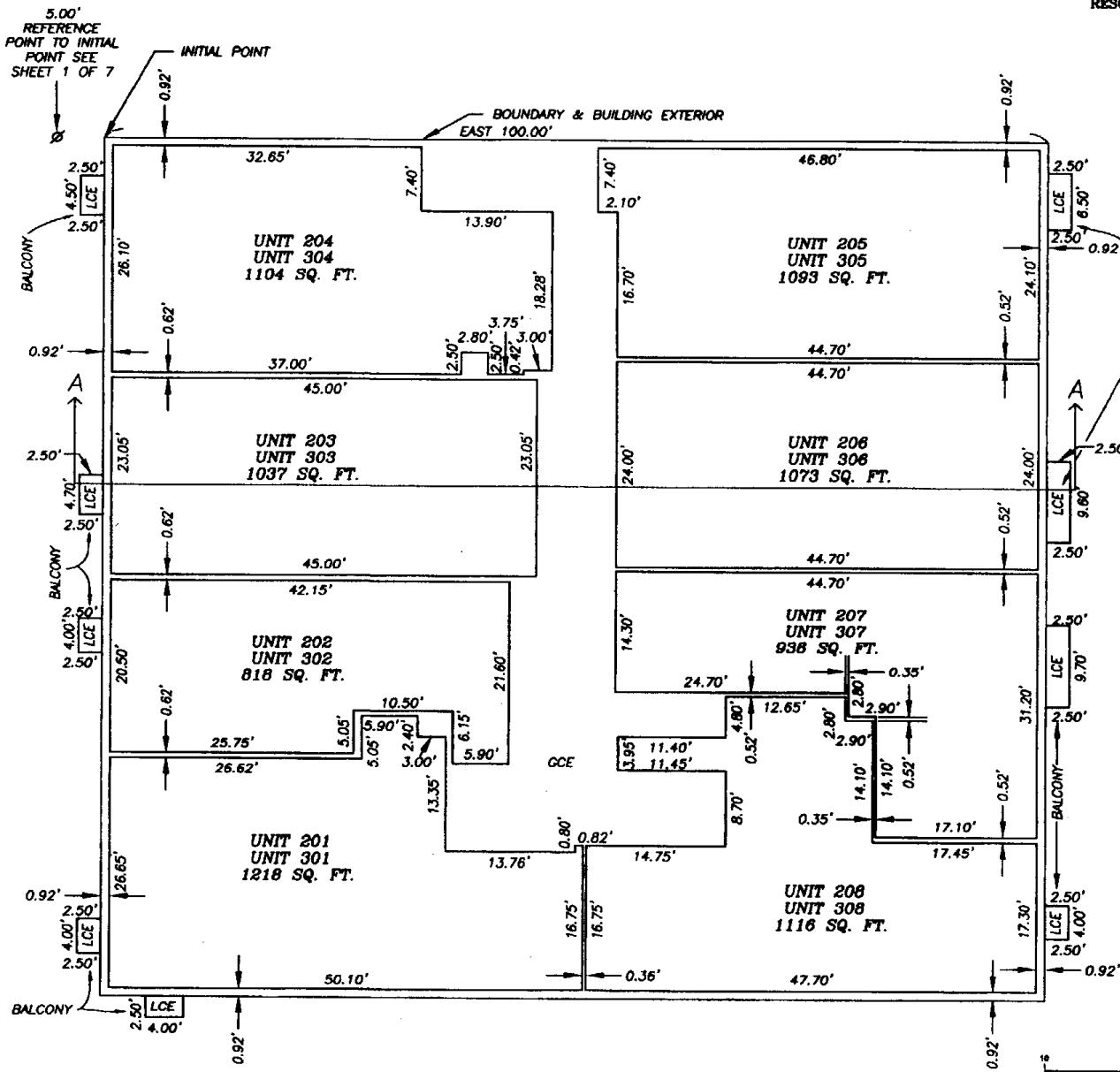
I HEREBY CERTIFY THAT THIS TRACING IS A TRUE AND EXACT COPY OF THE PLAT OF "FLANDERS LOFTS, A CONDOMINIUM"

FLANDERS LOFTS, A CONDOMINIUM

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON
AND
LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

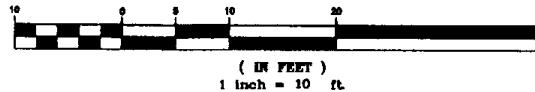
PREPARED BY
RESOURCE MANAGEMENT INTERNATIONAL/ ROBERT E. MEYER CONSULTANTS
4915 S.W. GRIFFITH DRIVE, # 300
BEAVERTON, OREGON 97005
PH (503)643-7531
PROJECT NO. 21028.02

DATE OF MONUMENTATION June 20th, 1994



SECOND & THIRD FLOORS

GRAPHIC SCALE



I HEREBY CERTIFY THAT THIS TRACING
IS A TRUE AND EXACT COPY OF THE PLAT
OF "FLANDERS LOFTS, A CONDOMINIUM".

A rectangular registration card with a black border. The top section contains the text "REGISTERED PROFESSIONAL LAND SURVEYOR" in all caps. Below this is a handwritten signature of "G. Robert Taylor". Underneath the signature is a box containing "OREGON", "JULY 17, 1970", and "G. ROBERT TAYLOR". At the bottom of the card is the number "#537".

RENEWAL DATE:
JUNE 30, 1998

LEGEND

**GCE GENERAL COMMON ELEMENT
LCE LIMITED COMMON ELEMENT**

NOTES

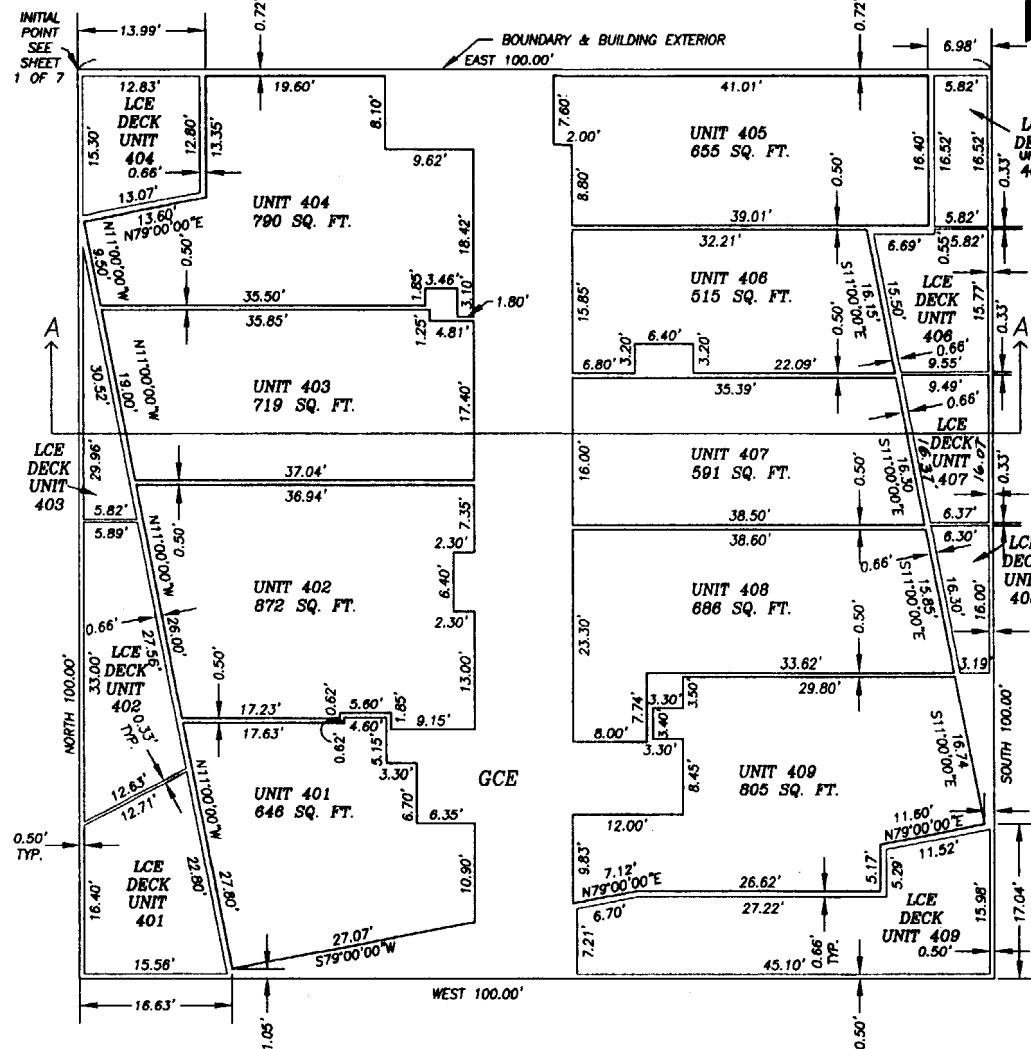
- 1) UNIT BEARINGS ARE PARALLEL WITH THE BOUNDARY UNLESS OTHERWISE NOTED.

CERTIFICATION

I, G. ROBERT TAYLOR, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT OF "FLANDERS LOFTS, A CONDOMINIUM" FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE UNITS AND OF THE BUILDINGS, AS DEPICTED ON THE PLAT, AND CONSTRUCTION OF SAID UNITS AND BUILDINGS HAS BEEN COMPLETED.

DATED THIS 30th DAY OF June, 1997.
BY: S. Rafael Taylor

G. ROBERT TAYLOR, PLS 937



FOURTH FLOOR - LEVEL 1

GRAPHIC SCALE



(IN FEET)

FOURTH FLOOR - LEVEL 1 & LEVEL 2

BOOK 1235 PAGE 50

FLANDERS LOFTS, A CONDOMINIUM

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON

LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

PREPARED BY

INTERNATIONAL / ROBERT E. MEYER

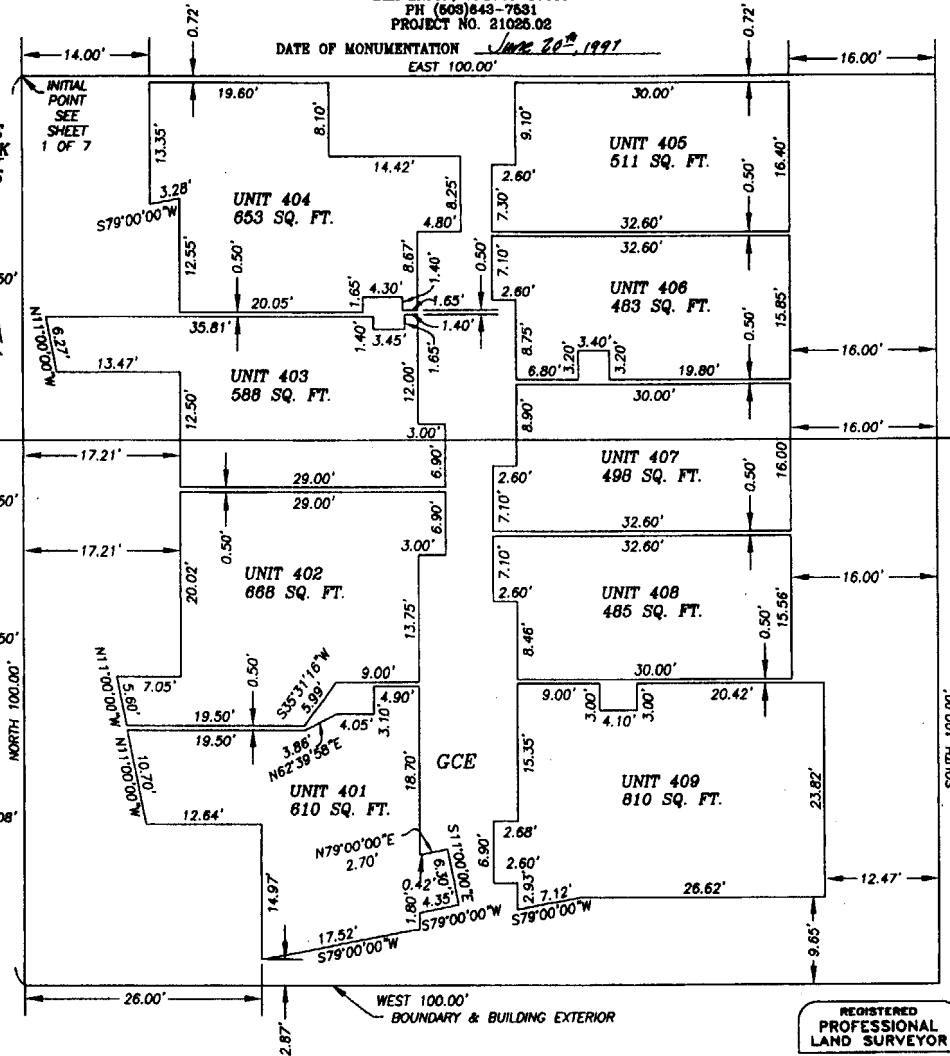
**W. GRIFFITH DRIVE, # 300
MONROVIA, CALIFORNIA**

ERTON, OREGON 97005
BN (E03)643-2631

PH (603) 843-7831
PROJECT NO. 21025.02

DATE OF MONUMENTATION JUNE 20th, 1991

EAST 100.00'



FOURTH FLOOR - LEVEL 2

I HEREBY CERTIFY THAT THIS TRACING
IS A TRUE AND EXACT COPY OF THE PLAT
OF "FLANDERS LOFTS, A CONDOMINIUM"

A rectangular logo with a double-line border. The words "REGISTERED", "PROFESSIONAL", and "LAND SURVEYOR" are stacked vertically in all-caps.

S. Robert Taylor
OREGON
JULY 17, 1970
S. ROBERT TAYLOR

#637

SHEET 4 OF

LEGEND
GCE GENERAL COMMON ELEMENT

NOTES

1) UT

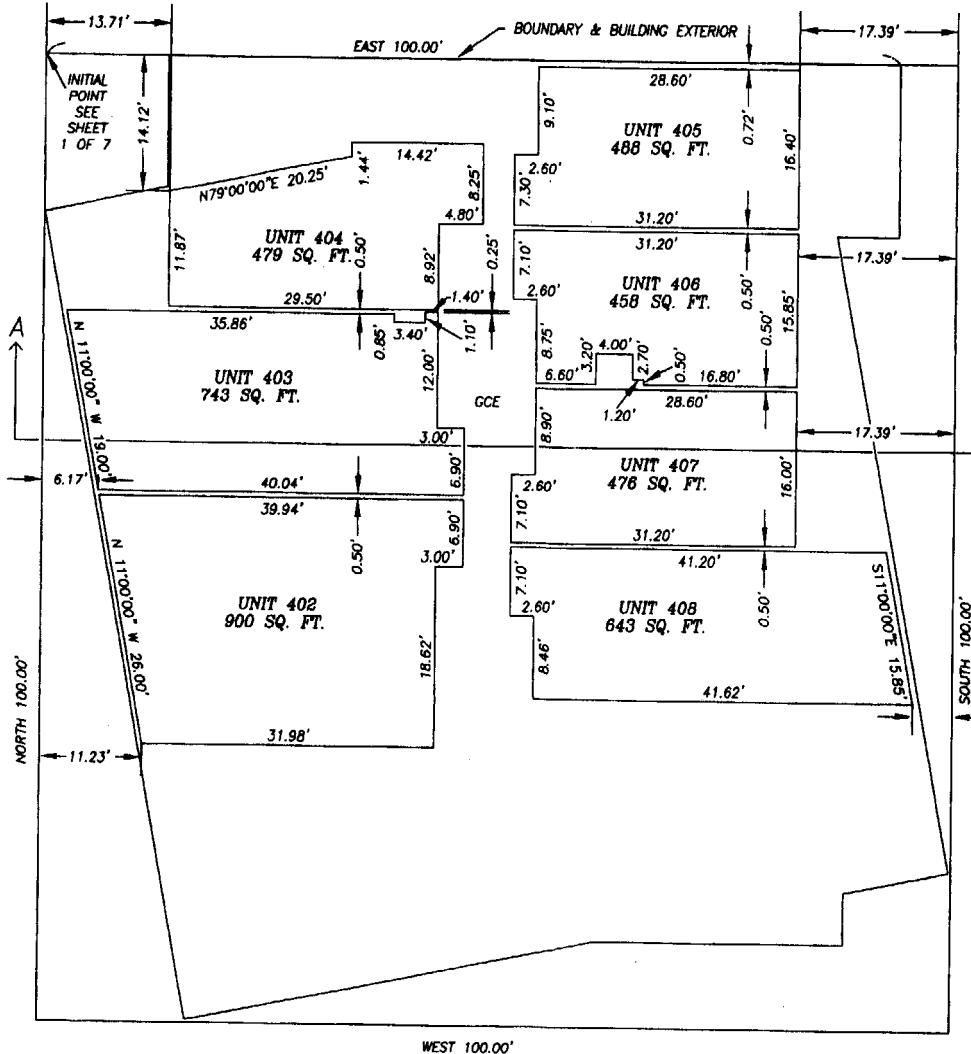
- 1) UNIT BEARINGS ARE PARALLEL WITH THE BOUNDARY UNLESS OTHERWISE NOTED.
 - 2) DECKS ARE ASSIGNED TO THE UNITS TO WHICH THEY ARE ATTACHED.

CERTIFICATION

I, G. ROBERT TAYLOR, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT OF "FLANDERS LOFTS, A CONDOMINIUM" FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE UNITS AND OF THE BUILDINGS, AS DEPICTED ON THE PLAT, AND CONSTRUCTION OF SAID UNITS AND BUILDINGS HAS BEEN COMPLETED.

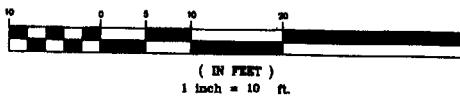
DATED THIS 20th DAY OF June, 1997.
BY: H. Robert Taylor

G. ROBERT TAYLOR, PLS 937



FOURTH FLOOR - LEVEL 3

GRAPHIC SCALE



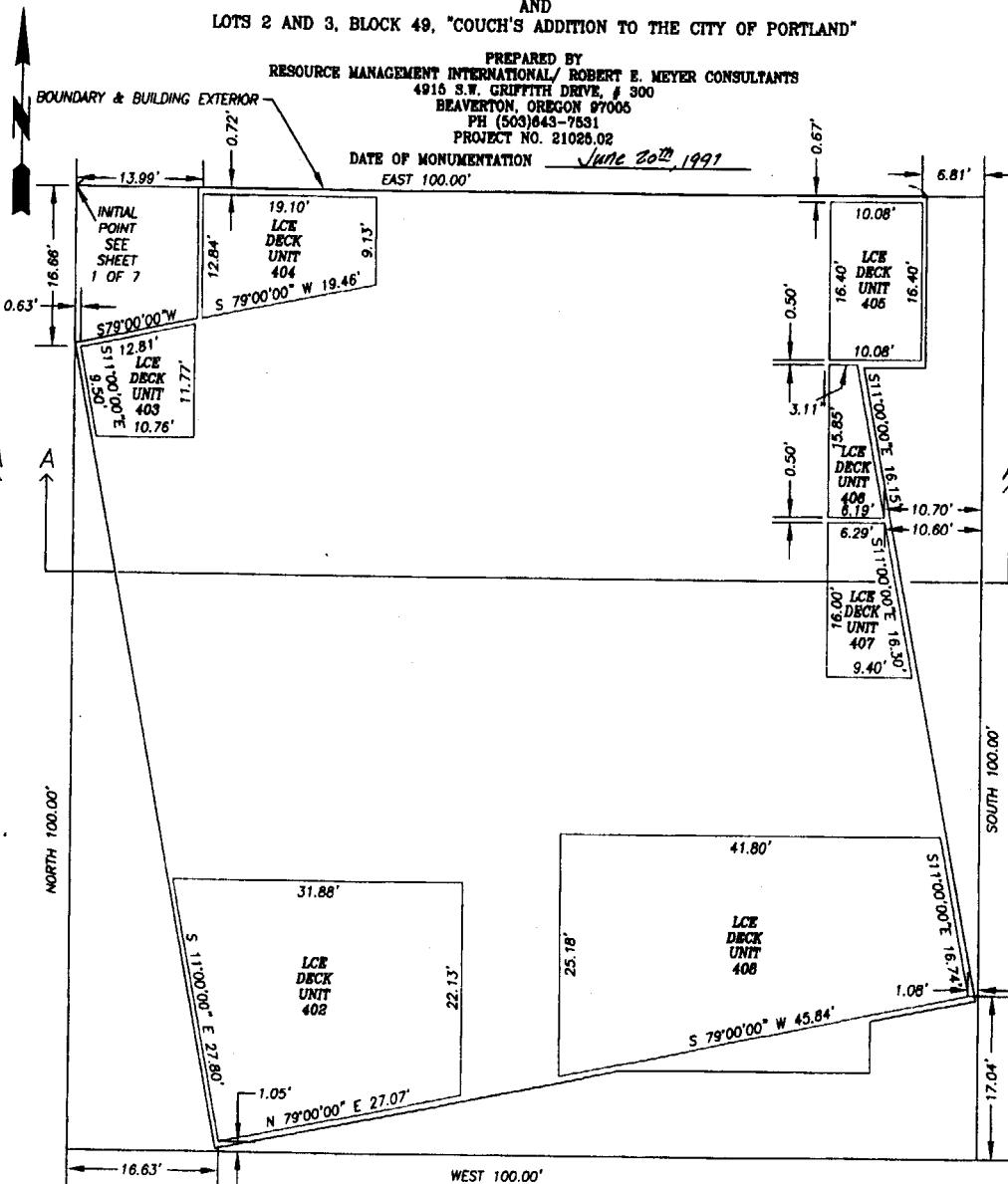
FOURTH FLOOR - LEVEL 3 & DECKS

BOOK 1235, PAGE 57

FLANDERS LOFTS, A CONDOMINIUM

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON
AND
LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

PREPARED BY
RESOURCE MANAGEMENT INTERNATIONAL / ROBERT E. MEYER CONSULTANTS
4915 S.W. GRIFFITH DRIVE, # 300
BEAVERTON, OREGON 97005
PH (503) 643-7551
PROJECT NO. 21026.02



FOURTH FLOOR - LEVEL 3 DECKS

I HEREBY CERTIFY THAT THIS TRACING
IS A TRUE AND EXACT COPY OF THE PLAT
OF "FLANDERS LOFTS, A CONDOMINIUM"

REGISTERED
PROFESSIONAL
LAND SURVEYOR

G. Robert Taylor

OREGON
JULY 17, 1970
G. ROBERT TAYLOR
#937

RENEWAL DATE:
MAY 17, 1977

RENEWAL DATE:
JUNE 30, 1998

SHEET 5 OF 7

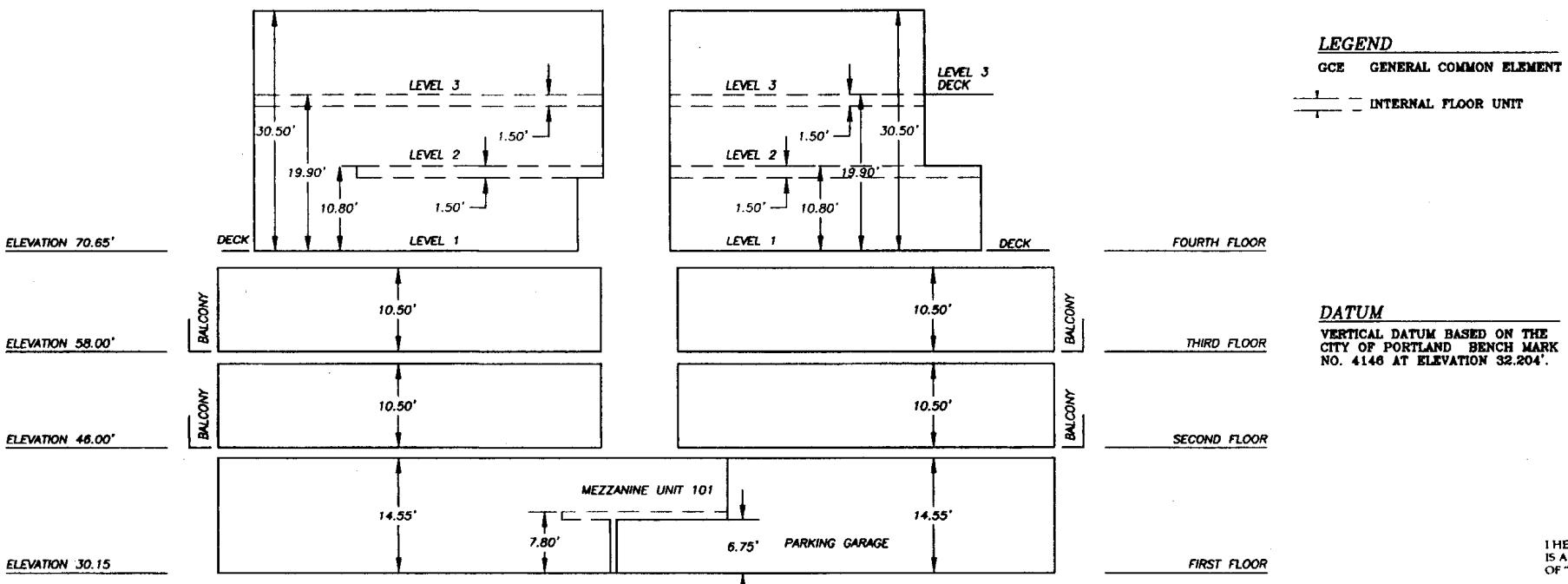
FLANDERS LOFTS, A CONDOMINIUM

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON
AND

LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

PREPARED BY
RESOURCE MANAGEMENT INTERNATIONAL/ ROBERT E. MEYER CONSULTANTS
4915 S.W. GRIFFITH DRIVE, # 300
BEAVERTON, OREGON 97006
PH (503)843-7681
PROJECT NO. 21028.02

DATE OF MONUMENTATION June 20th, 1997



SECTION A-A
SCALE 1"=10' HORIZONTAL AND VERTICAL

I, G. ROBERT TAYLOR, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT OF "FLANDERS LOFTS, A CONDOMINIUM" FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE UNITS AND OF THE BUILDINGS, AS DEPICTED ON THE PLAT, AND CONSTRUCTION OF SAID UNITS AND BUILDINGS HAS BEEN COMPLETED.

DATED THIS 20th DAY OF June, 1997.
BY: G. Robert Taylor

G. ROBERT TAYLOR, PLS 937



FLANDERS LOFTS, A CONDOMINIUM

DECLARATION

KNOW ALL MEN BY THESE PRESENTS, THAT FLANDERS LOFTS, LLC, AN OREGON LIMITED LIABILITY COMPANY, IS THE OWNER OF THE LANDS DESCRIBED IN THE ACCOMPANYING SURVEYOR'S CERTIFICATE AND DOES HEREBY DECLARE THE ANNEXED MAP OF "FLANDERS LOFTS, A CONDOMINIUM" TO BE TRUE AND CORRECT, AND THAT THE PROPERTY AND IMPROVEMENTS DEPICTED ON THE PLAT ARE SUBJECT TO THE PROVISIONS OF ORS 100.00 TO 10.625.

BY : T & S PROPERTIES, LLC, AN OREGON LIMITED LIABILITY COMPANY, MANAGING MEMBER

BY: Scott D. Stehman
SCOTT D. STEHMAN

LOCATED IN
THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON
AND
LOTS 2 AND 3, BLOCK 49, "COUCH'S ADDITION TO THE CITY OF PORTLAND"

PREPARED BY
RESOURCE MANAGEMENT INTERNATIONAL/ ROBERT E. MEYER CONSULTANTS
4916 S.W. GRIFFITH DRIVE, # 300
BEAVERTON, OREGON 97006
PH (503)843-7831
PROJECT NO. 21026.02

DATE OF MONUMENTATION JUNE 20, 1997

ACKNOWLEDGMENT

STATE OF OREGON }
COUNTY OF MULTNOMAH } SS

THIS CERTIFIES THAT ON THIS 28TH DAY OF JULY, 1997,
BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE AND COUNTY,
PERSONALLY APPEARED SCOTT D. STEHMAN, WHO, BEING DULY SWORN, DID SAY THAT HE IS
A MEMBER OF T & S PROPERTIES, LLC, MANAGING MEMBER OF FLANDERS LOFTS, LLC, AN
OREGON LIMITED LIABILITY COMPANY ON ITS BEHALF, AND DOES ACKNOWLEDGE SAID
INSTRUMENT TO BE A FREE ACT AND DEED.

Frank W. Lambert
NOTARY PUBLIC FOR THE STATE OF OREGON

APPROVALS

APPROVED August 4, 1997
CITY OF PORTLAND, BUREAU OF BUILDING

BY: Margaret Mahoney
APPROVED August 15, 1997
COUNTY SURVEYOR, MULTNOMAH COUNTY, OREGON.

BY: Robert A. Hord

ALL TAXES, FEES, ASSESSMENTS OR OTHER CHARGES AS PROVIDED BY O.R.S. 100.110 HAVE BEEN PAID AS OF
August 15th, 1997.

DIRECTOR, DIVISION OF ASSESSMENT AND TAXATION MULTNOMAH COUNTY, OREGON

BY: G. L. [Signature]
DEPUTY

STATE OF OREGON }
COUNTY OF MULTNOMAH } SS

I DO HEREBY CERTIFY THAT THE ATTACHED CONDOMINIUM PLAT WAS RECEIVED FOR RECORD AND RECORDED
Aug 15, 1997, AT 11:52, A.M. IN BOOK 1235 ON PAGES 53-59, COUNTY RECORDING
OFFICE.

BY: J. M. Olson
DEPUTY

DOCUMENT NO. 97-123845

I HEREBY CERTIFY THAT THIS TRACING
IS A TRUE AND EXACT COPY OF THE PLAT
OF "FLANDERS LOFTS, A CONDOMINIUM"

REGISTERED
PROFESSIONAL
LAND SURVEYOR

J. Robert Taylor
OREGON
JULY 17, 1970

G. ROBERT TAYLOR
P.S.P.T.

RENEWAL DATE:
JUNE 30, 1988

SHEET 7 OF 7