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WHEN RECORDED, RETURN TO:
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BYLAWS
OF THE
CASCADIA COMMONS CONDOMINIUM COMMUNITY
HOMEOWNERS ASSOCIATION

ARTICLE I
Plan of Condominium Ownership

1.1 Name and Location. These are the Bylaws of the Cascadia Commons Condominium Community Homeowners Association (herein "Association"). Cascadia Commons Condominium Community (herein "Condominium") is located in Washington County, Oregon, and has been submitted to the provisions of the Oregon Condominium Act (ORS 100.005 et seq.) by a Declaration filed simultaneously herewith.

1.2 Purpose. The 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 administration, management, and operation of the Condominium.

1.3 Applicability of Bylaws. The Association, Declarant and its successors and assigns, 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 promulgated hereunder.

1.4 Composition of the Association. The Association shall be composed of all the unit owners of the Condominium, including Cascadia Commons, L.L.C., an Oregon limited liability company, and Development Group Services Corporation, an Oregon corporation (herein collectively "Declarant"), and the Association, itself, to the extent any of these own any unit or units of the Condominium.

1.5 Incorporation. The Association shall be incorporated under the Oregon Nonprofit Corporation Act. The Articles of Incorporation shall be consistent with the Declaration and these Bylaws, and these Bylaws shall constitute the Bylaws of the incorporated Association.

1.6 Definitions. The definitions contained in or adopted by the Declaration shall be applicable to these Bylaws. In addition, all definitions as found in ORS 100.005 shall be applicable unless otherwise stated.

ARTICLE II
Voting

2.1 Consensus. Consensus is the primary method of decision-making at all levels of Association governance, except where otherwise required by the Oregon Condominium Act. If agreed to by consensus at an Association meeting, decision-making can be delegated to a committee or an individual as appropriate. One member or designated representative of each active unit of the Association physically present at a meeting may participate in consensus polling arising during the course of such meeting.

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2.2 Voting. Each unit shall be allocated two (2) votes in the affairs of the Association. If consensus cannot be reached on an issue after two meetings at which an issue is discussed, a third meeting requiring a quorum of the Board of Directors of the Association shall be called and voting may be used. A decision to shift from consensus to voting shall be called by a Director and agreed upon by a majority of Directors present at such third meeting. A decision on the issue shall require the affirmative vote of sixty-seven percent (67%) of Directors present.

2.3 Determination of Membership in the Association. Upon recordation of a conveyance or contract to convey a unit, each grantee or purchaser named in such conveyance or contract shall automatically be a member of the Association (herein "member") and shall remain a member of said Association until such time as such person's ownership ceases for any reason.

2.4 Responsibility of Membership. Active members shall be responsible to participate in the administration and management of the Association and in the maintenance of Condominium common areas a number of hours per month (herein "participation hours") as specified by the Board of Directors from time to time. Participation hours shall be regarded as part of the common expenses of the Association to the extent determined by the Board of Directors.

2.5 Types of Membership.

2.5.1 Active Members. Each member of the Association shall be deemed an "active member" unless otherwise designated by the Association. Active members shall be charged with defining the will of the Association as a whole. Active members of the Association may sign and deliver to the Association a written document delegating their consensus participation rights to the occupant(s) of their Condominium unit, which occupant(s) shall be responsible to carry out the responsibilities of active members.

2.5.2 Inactive Members. The status of "inactive member" may be granted to certain members who request in writing not to be involved in Association governance, including participating in consensus decision-making, voting as an active member, or serving as a Director of the Association. Granting or denying of inactive status shall be at the sole discretion of the Board of Directors. The terms of granting inactive member status shall be decided by the Board upon a case-by-case basis. An inactive member may return to active member status upon written notification to the Board. Inactive members may be specially assessed by the Board of Directors in lieu of providing participation hours.

2.6 Proxies. Directors may not cast votes by proxy. Any first mortgagee may designate a representative to attend all or any meetings of the Association.

2.7 Fiduciaries. Unless granted inactive member status, an executor, administrator, guardian, or trustee shall be deemed an active member with respect to any unit owned or held by her/him in such capacity, whether or not the unit shall have been transferred to her/his name; provided, that she/he shall satisfy the secretary that she/he is the executor, administrator, guardian, or trustee holding such unit in such capacity.

2.8 Active Units. An "active unit" is a unit with at least one active member.

2.9 Quorum. At any meeting of the Association, representation of sixty percent (60%) of the active units shall constitute a quorum. At any meeting of the Board of Directors, sixty percent (60%) of the Directors must be present to constitute a quorum. The subsequent joinder of an active member or Director of an active unit not otherwise represented, in the action taken at a meeting

by signing and concurring in the minutes thereof, shall constitute the presence of such person for the purpose of determining a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of any member or Director. If any meeting of members or Directors cannot be organized because of a lack of quorum, the members or Directors who are present in person may adjourn the meeting from time to time until a quorum is present.

2.10 Joint Owners. Whenever any unit is owned by two (2) or more persons jointly, according to the records of the Association, the votes of such unit may be exercised by any one of the co-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 votes of such unit shall be disregarded completely in determining the proportion of votes given with respect to such matter.

ARTICLE III Meetings of the Association

3.1 Place of Meeting/Initial Meeting. The Association shall hold meetings at such suitable place convenient to the members as may be designated by the Board of Directors from time to time. The initial meeting of the Association shall be the first annual meeting of the Association pursuant to the provisions of Section 3.3 herein, unless the Turnover Meeting pursuant to the provisions of Section 3.2 herein is called by the Declarant prior to the date of the first annual meeting, in which case the initial meeting of the Association shall be the Turnover Meeting.

3.2 Turnover Meeting. The Declarant shall call the turnover meeting pursuant to the provisions of Section 3.7 herein within ninety (90) days of the earlier of seven years from the date of conveyance of the first unit to a person other than the Declarant or conveyance of seventy-five percent (75%) of the total number of units that the Declarant may submit to the provisions of ORS Chapter 100 under ORS 100.150. The purpose of the meeting shall be to organize the Association and to elect Directors in accordance with the Bylaws of the Condominium.

If the turnover meeting is not called within the time specified, the meeting may be called and notice given by any unit owner or first mortgagee of a unit. At the turnover meeting:

(a) The Declarant shall relinquish control of the administration of the Association of Unit Owners and the unit owners shall assume the control;

(b) The unit owners shall elect a Board of Directors in accordance with the Bylaws of the Condominium; and

(c) The Declarant shall deliver to the Association all property of the unit owners and Association of Unit Owners held or controlled by the Declarant including, but not limited to, the following items if applicable:

(1) The original or a photocopy of the recorded Declaration and Bylaws of the Condominium and any supplements and amendments thereto.

(2) A copy of the Articles of Incorporation of the Association.

(3) The minute books, including all minutes and other books and records of the Association.

- (4) The reserve study and all updates described in ORS 100.175.
- (5) Any rules and regulations which have been promulgated.
- (6) Resignations of officers and members of the Interim Board of Directors.

(7) A report of the present financial condition of the Association. The report shall consist of a balance sheet and an income and expense statement for the preceding twelve (12) month period or the period following the recording of the Declaration, whichever period is less.

(8) The Association's funds or control thereof, including, but not limited to, any bank signature cards.

(9) All tangible personal property that is property of the Association and an inventory of such property.

(10) A copy of the following, if available:

a. The as-built architectural structural, engineering, mechanical, electrical, and plumbing plans.

b. The original specifications indicating thereon all material changes.

c. The plans for underground site service, site grading, drainage, and landscaping together with cable television drawings.

d. Any other plans and information relevant to future repair or maintenance of the property.

(11) Insurance policies.

(12) Copies of any occupancy permits which have been issued for the Condominium.

(13) Any other permits issued by governmental bodies applicable to the Condominium in force or issued within one (1) year prior to the date the unit owners assume control of the administration of the Association.

(14) A list of the general contractor and subcontractors responsible for construction or installation of the major plumbing, electrical, mechanical, and structural components of the common elements.

(15) A roster of unit owners and their addresses and telephone numbers, if known, as shown on the records of the Declarant.

(16) Leases of the common elements and any other leases to which the Association is a party.

(17) Employment or service contracts in which the Association is one of the contracting parties; or service contracts in which the Association or the unit owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charges of the person performing the service.

(18) Any other contracts to which the Association is a party.

(d) In order to facilitate an orderly transition during the three (3) month period following the turnover meeting, the Declarant or an informed representative shall be available to meet with the Board of Directors on at least three (3) mutually acceptable dates to review the documents delivered under subsection 2 of this section.

(e) If the Declarant has complied with this section, unless the Declarant otherwise has sufficient voting rights as a unit owner to control the Association, the Declarant shall be relieved of any further responsibility for the administration of the Association except as unit owner of any unsold unit.

3.3 Transitional Committee. The Declarant shall call a meeting of the unit owners pursuant to the provisions of Section 3.7 herein within sixty (60) days of conveyance to persons other than Declarant of fifty percent (50%) of the total number of units that Declarant may submit to the provisions of the Declaration to form a Transitional Committee in accordance with the Bylaws of the Condominium. The Transitional Committee shall be advisory only and be composed of two or more members selected by unit owners other than Declarant and may include one representative of the Declarant. Members of the Transitional Committee shall serve until the Turnover Meeting. The function of the Transitional Committee shall be to ease the transition of control of the administration of the Association by the Declarant to control by the unit owners.

If the Transitional Committee meeting is not called within the time specified, the meeting may be called and notice given by any unit owner or first mortgagee of a unit.

3.4 Annual Meeting. The Association shall hold at least one meeting of the active members each calendar year. The annual meeting of the Association (which is also the annual meeting of the Board of Directors) shall be held on the first Sunday in November. The annual meeting shall be for the purpose of selecting Coordinating Committee members and defining their functions, approving the yearly budget, hearing committee reports, and for the transaction of such other business as may properly come before the meeting.

3.5 Special Meetings. Special meetings of the Association may be called as necessary by the chairperson, by a majority of the Board of Directors, or at the request of at least twenty-five percent (25%) of the active members of the Association. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

3.6 Coordinating Committee Meetings. A Coordinating Committee shall be organized by the Board of Directors. Coordinating Committee meetings shall be held at least monthly, but may be held as often as necessary. Coordinating Committee meetings shall be open to all Association members, who may provide input, but who are not entitled to participate in making Committee decisions.

3.7 Notice of Meetings. Notice of all meetings of the Association, stating the time and place and the purpose for which the meeting is being called, shall be given by the chairperson or secretary. All notices shall be prominently posted at the Common House (or, prior to completion of

the Common House, at such other posting site on the property as shall be determined by the Board of Directors) and mailed or e-mailed to any owner of each unit and to any first mortgagee who has a written request for same on file with the Secretary. Notice shall be posted and mailed/e-mailed not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Proof of such mailed notices shall be given by the affidavit of the person giving the notice. When a meeting is adjourned for less than thirty (30) days, no notice of the adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place and by posting of notice at the Common House.

ARTICLE IV Board of Directors

4.1 Number and Qualification. The number of Directors shall be equal to the number of active units of the Condominium.

4.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, subject to the powers granted to the members of the Association.

4.3 Other Duties. In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall have authority to carry out and be responsible for the following matters:

(a) Care, upkeep, and supervision of the Condominium, the Association property and the common elements to the extent provided in the Declaration and these Bylaws; and assigning, supervising assignments or approving any assignment of the use of any common element, general or limited, as may be required by the Declaration. If necessary, to employ personnel for the maintenance, upkeep or repair of the common elements.

(b) Designation and collection of monthly assessments from the owners in accordance with these Bylaws, the Declaration, and the Oregon Condominium Act (see Article VI of these Bylaws).

(c) Payment of all common expenses of the Association, and institution and maintenance of a voucher system for payment, which shall require a sufficient number of signatories thereon as may be reasonably necessary to prevent any misuse of the Association's funds.

(d) Hiring, designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium, the general common elements, and the limited common elements, if any.

(e) Subject to the limitations of the Oregon Condominium Act, leasing, subleasing, or hypothecation in any manner of the general common elements, if any, of the Condominium which have or may have any income producing potential.

(f) At least annually, the Board of Directors shall review the insurance coverage of the Association as provided in Article VIII of these Bylaws.

4.4 Management Agent. The Board of Directors may employ a management agent, to be compensated in an amount established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in

Section 4.3 of this Article.

4.5 Interim Directors. Upon the filing of the Declaration submitting the Condominium to the Oregon Condominium Act, the Declarant hereby appoints all of the members of Cascadia Commons, L.L.C., as Interim Directors who shall serve until their successors have been elected by the unit owners as provided below. In addition, all members of the Association shall be deemed appointed as Interim Directors at the time such members purchase their respective units.

4.6 Election and Term of Office. At the turnover meeting called by the Declarant, pursuant to Section 3.2 of these Bylaws, the interim Directors shall resign and one (1) representative designated in writing from each active unit shall be deemed elected by the Board of Directors as successor Directors. A Director shall hold office until the unit she/he represents is no longer owned by the unit owner(s) who designated such Director, or until the unit owner(s) who designated such Director designate in writing a replacement for such Director, whichever is first.

4.7 Removal of Directors. Any Director may be removed, with or without cause, by an affirmative vote of sixty-seven percent (67%) of the entire Board of Directors. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting at which the vote will take place.

4.8 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 chair and must be called by the secretary at the written request of more than twenty-five percent (25%) of the Directors. Notice of any special meeting shall be given to each Director, personally or by mail, e-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. Notice of meetings of the Board of Directors shall be posted at a place or places on the Condominium property at least three (3) days prior to the meeting or shall be provided by a method otherwise reasonably calculated to inform Association members of such meetings. All meetings of the Board of Directors shall be open to Association members and their guests except that, in the discretion of the Board, the following matters may be considered in executive session: (1) consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation, or criminal matters; (2) personnel matters, including salary negotiations and employee discipline; and (3) the negotiation of contracts with third parties..

4.9 Compensation of Directors. No Director shall be compensated in any manner, except for out-of-pocket expenses, unless such compensation is approved by the Board of Directors.

4.10 Liability and Indemnification of Directors, Officers, Manager, or Managing Agent. The Directors and officers shall not be liable to the Association for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each Director and officer and the manager or managing agent, if any, against all contractual liability to others arising out of contracts made by the Board of Directors, officers, manager, or managing agent on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws. Each Director and officer and the manager or managing agent, if any, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party or which they may become involved, by reason of being or having been a Director, officer, manager or managing agent and shall be indemnified upon any reasonable settlement thereof; provided, however, there shall

be no indemnity if the Director, officer, manager, or managing agent is adjudged liable for willful nonfeasance, misfeasance, or malfeasance in the performance of his/her duties.

4.11 Fidelity Bond. The Board of Directors shall require any person or entity including, but not limited to, employees of any professional manager who handles or is responsible for Association funds, to furnish such fidelity bond as the Board of Directors deems adequate. The premiums on such bonds shall be paid by the Association.

4.12 Insurance. The Board of Directors shall obtain the insurance required in Article VIII 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 V Officers

5.1 Designation. The principal officers of the Association shall be a chairperson, a secretary, and a treasurer. The Directors may appoint an assistant treasurer, an assistant secretary, and any such other officers as in their judgment may be necessary.

5.2 Election of Officers. Each officer of the Association must be a member of the Board of Directors. The Chairperson, Secretary and Treasurer shall be elected at the annual meeting by, and shall hold office at the pleasure of, the active members of the Association.

5.3 Chairperson. The chairperson shall be the chief executive officer of the Association. He/she shall have the powers and duties vested in him/her by the Board of Directors.

5.4 Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he/she shall have charge of such books and papers as the Board of Directors may direct; and he/she shall, in general, perform all the duties incident to the office of secretary.

5.5 Treasurer. The treasurer shall have responsibility for the Association's funds and securities not otherwise held by the managing agent, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He/she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may, from time to time, be designated by the Board of Directors. The treasurer shall have the authority to open and close Association depository accounts and to designate other Directors as authorized signers on any such accounts.

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

ARTICLE VI Budget, Expenses and Assessments

6.1 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. Within thirty (30) days after adopting the annual budget for the Association, the Board of Directors shall provide a summary of the budget to all owners. If the Board

of Directors fails to adopt an annual budget, the last adopted budget shall continue in effect.

6.2 Determination of Common Expenses. Common expenses shall include:

- (a) Expenses of administration;
- (b) Expenses of maintenance, repair, or replacement of common elements;
- (c) Cost of insurance or bonds obtained in accordance with these Bylaws;
- (d) A general operating reserve;
- (e) Reserve for replacements and deferred maintenance as set forth in Section 6.4;
- (f) Any deficit in common expenses for any prior period;
- (g) Any other items properly chargeable as an expense of the Association.

6.3 Assessment of Unit Owners. All unit owners shall be obliged to pay common expenses assessed to them by the Board of Directors on behalf of the Association pursuant to these Bylaws and the Declaration. All assessments shall be deposited in a separate bank account in the name of the Association. All expenses of the Association shall be paid from the Association bank account. Assessments may not be waived due to limited or nonuse of common elements. The Declarant shall be assessed as the unit owner of any unsold unit, but such assessment shall be prorated to the date of sale of the unit. Assessments shall commence upon closing of the first sale of a unit in the Condominium. 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 three (3) months of the Association's assessments for 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. In the event of addition of units to the Condominium during the fiscal year, common expenses shall be prorated on the basis of proportion of undivided interests among all units that are a part of the Condominium as of the date of assessment, unless the Declaration provides otherwise.

6.4 Reserves. A portion of the common expense collected from each unit owner shall be placed in an account separate from the general operating account of the Association in accordance with ORS 100.175. This separate account is to be used as a reserve account for major maintenance and replacement of those common elements all or part of which would normally require replacement in more than three (3) or less than thirty (30) years, for exterior painting if the common elements include exterior painted surfaces, and for such other items as may be required by the declaration or bylaws. The reserve account need not include those items that could reasonably be funded from operating expenses.

Following the second year after the turnover meeting, described in Section 3.2 hereof, future assessments for the reserve account may be reduced, eliminated, or increased by an affirmative vote of not less than seventy-five percent (75%) of the unit owners.

This assessment shall accrue from the time of the conveyance of the first unit to an owner other than the Declarant. The Declarant, however, may elect to defer payment of the accrued reserve portion of the common assessment until conveyance to a purchaser. However, election by the

declarant to defer payment of accrued assessment shall be limited to a period of three years from the date the declaration is recorded. The books and records of the Association of unit owners shall reflect the amount owing from the declarant for all reserve assessments.

The reserve account shall be used only for the purposes outlined in this section; provided, however, that after the turnover meeting set forth in Section 3.2 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. The reserve account may be invested by the Board of Directors subject to normal prudent investment standards.

Assessments paid into the reserve account shall be the property of the Association and are not refundable to sellers of units. Sellers of units may treat their outstanding share of the reserve account as a separate item in any agreement for the sale of their units.

6.5 Reserve Study. The amount of the payments shall be adjusted at least annually to recognize changes in current replacement costs over time. The Board of Directors of the Association annually shall conduct a reserve study, or review and update an existing study, of the common elements to determine the reserve account requirements. A reserve account shall be established for those items of the common elements all or part of which will normally require replacement as described in Section 6.4 above. The reserve study shall include: (1) identification of all items for which reserves are to be established; (2) the estimated remaining useful life of each item as of the date of the reserve study; (3) an estimated cost of maintenance, repair or replacement of each item at the end of its useful life; and (4) a 30-year plan with regular and adequate contribution, adjusted by estimated inflation and interest earned on reserves, to meet the maintenance, repair and replacement schedule.

6.6 Special Assessments - Capital Improvements. In the case of any duly authorized capital improvement to the common elements and in the case of retirement of Association indebtedness, 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 or debt retirement described in the resolution.

6.7 Statement of Common Expenses. The Board of Directors shall advise each unit owner in writing of the amount of common expenses payable by him/her and furnish copies of each budget, on which such common expenses 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 his/her unpaid common expenses.

6.8 Priority of Lien: First Mortgages.

6.8.1 Any lien of the Association against a unit for common expenses shall be subordinate to tax and assessment liens and any prior mortgage of record.

6.8.2 Notwithstanding the above, and pursuant to ORS 100.450(7), the priority established for a lien for unpaid assessments and interest due the Association shall be prior to the lien of any prior mortgage or trust deed of record for the unit and the undivided interest in the common elements if:

(a) The Association has given the lender under the mortgage or trust deed ninety (90) days notice that the owner of the unit is in default of payment of an assessment.

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The notice shall contain:

- (1) Name of borrower;
- (2) Recording date of trust deed or mortgage;
- (3) Recording information;
- (4) Name of condominium, unit owner and unit identification; and
- (5) Amount of unpaid assessment.

(b) The notice under paragraph (a) of this subsection shall set forth the following in ten-point type: NOTICE: The lien of the Association may take priority over that of the lender pursuant to ORS 100.480.

(c) The lender has not initiated judicial action to foreclose the mortgage or request issuance of a trustee's notice of sale under the trust deed or accepted a deed in lieu of foreclosure in the circumstances described in ORS 100.485 prior to the expiration of ninety (90) days following the notice by the Association.

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

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

(f) A copy of the notice described in paragraph (a) of this subsection has been verified, filed and recorded.

6.8.3 Subject to the foregoing section 6.8.2, where the purchaser or mortgagee of a unit obtains title to the unit as result of foreclosure of a first mortgage or by deed in lieu of foreclosure, such purchaser or mortgagee, his/her successors and assigns, shall not be liable for any of the common expenses chargeable to the unit which became due prior to the acquisition of title by the purchaser or the mortgagee in the following circumstances:

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

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

6.9 Income Tax Returns. The Board of Directors shall annually cause to be filed the necessary income tax returns for the Association.

ARTICLE VII

Maintenance and Use of the Condominium Property

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

(a) Units and Limited Common Elements. All maintenance of and repairs to any unit and such unit's accompanying limited common element yards, private decks, patios and storage areas shall be made by the owner of such unit, except that the Association shall be responsible for maintenance and repair of trees and other landscape improvements designated by the Board of Directors as the responsibility of the Association. Unit owners 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/her unit and limited common element yards, private decks, patios, and storage areas. In addition, each unit owner shall be responsible for the maintenance, repair, or replacement of windows and doors and any plumbing or air conditioning fixtures, telephones, fans, lighting fixtures and lamps, fireplaces, refrigerators, dishwashers, ranges, or other appliances and accessories that may be in or connected with his/her unit. The general upkeep of limited common element front porches and stairways shall be the responsibility of the unit owners to which such limited common elements appertain; however, the repair and replacement of such limited common element front porches and stairways shall be the responsibility of the Association and shall be charged to all unit owners as a common expense.

(b) General Common Elements. All maintenance, repairs, and replacements to the general common elements shall be made by the Association and shall be charged to all the unit owners as a common expense; however, the Association will have no obligation to maintain, repair or replace any part or all of the landscape sprinkling systems located within the general common elements.

7.2 Additions, Alterations, or Improvements.

(a) A unit owner may make any improvement or alteration to his/her unit that does 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 his/her 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. Expenses incurred in amending the Declaration, plat, and floor plans in conjunction with an alteration as set forth herein shall be borne by the affected unit owners.

(c) A unit owner shall make no repair or alteration or perform any other work on his/her 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 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 Association Rules and Regulations. 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.

7.4 Abatement and Enjoining of Violations. The violation of any rule or regulation adopted pursuant to these Bylaws or the breach of any Bylaw contained herein or of any provision of the Declaration shall give the Board of Directors, acting on behalf of the Association, but subject to mediation and arbitration as provided in Section 11.1, the right, in addition to any other rights set forth in these Bylaws:

(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 therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty of any manner of trespass; or

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

(c) To levy reasonable fines after giving notice and an opportunity to be heard. Such fines shall be treated in the same manner as common assessments.

Any expense incurred by the Association in remedying the default, damage incurred by the Association or unit owners, or fines so levied shall be assessed against the offending unit as a common expense and enforced as provided in Article VI. In addition, any aggrieved unit owner may bring an action to recover damages or to enjoin, abate, or remedy such thing or condition by appropriate legal proceedings. The prevailing party shall be entitled to reasonable attorney fees.

ARTICLE VIII Insurance

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

(a) Property insurance covering loss or damage from occurrences including, but not limited to, fire, vandalism, and malicious mischief with extended coverage endorsement; and such other coverage such as flooding and earthquake, which the Association may deem desirable, for not less than the full insurable replacement value of the units and common elements. Such policy or policies shall name the Declarant, the Association, and the unit owners as insured as their interest may appear and shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each unit, if any.

(b) A policy or policies insuring the Declarant, the Association, the Board of Directors, unit owners, and 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 ownership or use of the property. There may be excluded from such policy or policies coverage of a unit owner (other than as a member of the Association or the 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. Limits of liability under such insurance shall not be

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less than One Million Dollars (\$1,000,000) on a combined single limit basis. Such policy or policies shall be issued on a comprehensive liability basis and shall provide 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; and

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

Each unit owner shall be responsible for obtaining, at his/her own expense, insurance covering his/her property not insured under paragraph (a) above and against his/her liability not covered under paragraph (b) above, unless the Association agrees otherwise.

8.2 Policies. Insurance obtained by the Association shall be governed by the following provisions:

(a) All policies shall be written with the State of Oregon or a company licensed to do business in the State of Oregon and holding a Commissioner's rating of "A" and a size rating of "AAA" or better by the Best's Insurance Reports, current at the time the insurance is written or prior to the turnover meeting of the Association, one acceptable to the Declarant.

(b) All losses under policies hereafter in force regarding the property shall be settled exclusively with the Board of Directors or its authorized representative. Proceeds of the policies shall be paid to the Association as trustee for the unit owners, or upon demand of any mortgagee, to an insurance trustee acceptable to the Association and mortgagees of units.

(c) Each unit owner shall be required to notify the Board of Directors of all improvements made by the owner to his/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.

(d) All owners shall be required to carry a personal effects fire and comprehensive personal liability and premises medical coverage policy. A copy of each such policy shall be filed with the Association within thirty (30) days after purchase.

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

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

(b) A provision that the master policy on the Condominium cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual owners.

(c) A provision that the master policy on the Condominium cannot be canceled, invalidated, or suspended on account of the conduct of any officer or employee of the Board of Directors or the manager without prior demand in writing that the Board of Directors or manager cure the defect, and allow a reasonable amount of time for implementation of correction.

(d) A provision that any "no other insurance" clause in the master policy exclude individual owners' policies from consideration, and a waiver of the usual proration clause with respect to such policies.

(e) A provision that the insurer issue subpolicies specifying the portion of the master policy earmarked for each owner's interest and that until the insurer furnishes written notice and a grace period to the mortgagee, insured under the loss payable clause thereof, the mortgagee's coverage is neither jeopardized by the conduct of the unit mortgagee-owner, the Association, or other unit owners, nor canceled for nonpayment of premiums.

(f) A rider on the master policy patterned after "Use and Occupancy" insurance which will provide relief from monthly assessments while a unit is uninhabitable by the payment of the Condominium expenses thereof and any other fixed costs including, but not limited to, taxes, rent, insurance, and mortgage payments. The proceeds from any casualty policy, whether held by the Association or a unit owner, payable with respect to any loss or damage to the common elements, shall be held in trust for the benefit of all insured as their interest may appear.

(g) A waiver of the insurer's right to determine whether the damage should be repaired. If reasonably available, the policy or policies should contain a stipulated amount clause or determine cash adjustment clause or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild.

ARTICLE IX
Damage and Destruction

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

9.2 Insurance Proceeds Insufficient to Cover Loss. If the insurance proceeds are insufficient to reconstruct the damaged or destroyed buildings, the damage to or destruction of such buildings shall be promptly repaired and restored by the manager or the Board of Directors using the proceeds of insurance, if any, on such buildings for that purpose; and all the unit owners shall be liable for assessment for any deficiency for such reconstruction, such deficiency to take into consideration as the owner's contribution any individual policy insurance proceeds provided by such owner. Provided, however, if three-fourths (3/4) or more in value of all the buildings are destroyed or substantially damaged and if the owners of at least three-fourths (3/4) of the units do not voluntarily, within sixty (60) days after such destruction or damage, make provision for reconstruction, the manager or the Board of Directors shall record with the County Recorder an amendment to the Declaration which shall cause removal of the Condominium from the provisions of ORS 100.005 et seq. The amendment shall contain the information required by ORS 100.600. Upon the recording of the amendment, the condominium property and the interest of each unit owner shall be treated in the following manner:

(a) The Condominium property shall be deemed to be owned in common by the owners.

(b) The respective interest of each unit owner in the property shall be determined by the provisions of ORS 100.610, which are in effect on the date the Condominium Declaration is recorded.

(c) Any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the undivided interests of the owners in the project.

(d) The Condominium shall be subject to an action for partition at the suit of any owner. If a decree of partition orders the sale of the Condominium property, the net proceeds of sale, together with the net proceeds of the policies of insurance on the Condominium, if any, shall be considered as one fund and shall be divided among all of the owners in proportion to their respective undivided interest after first paying, out of the respective shares of the owners to the extent such share is sufficient for the purpose, all liens on the undivided interest in the project owned by each owner.

9.3 Architectural Changes After Damage or Destruction. Notwithstanding all other provisions hereof, the owners may, subject to the Oregon Condominium Act, by an affirmative vote of sufficient owners to amend these Bylaws, cause an amendment to be made to the Condominium documents so as to facilitate architectural changes that the owners affected thereby and the Association deem desirable; if, and only if, the partial or total destruction of the Condominium or any buildings thereof, by fire, casualty, or any other disaster is so great as to require the substantial reconstruction of the whole of the Condominium or said buildings. Any such amendment of such Condominium documents shall be valid only upon (1) the recording thereof with the recording officer of Washington County; and (2) the recording, with that recording officer, of the approval thereof of each mortgagee and each other lienholder of record having a lien against any part of the project or building affected by such amendment.

ARTICLE X Condemnation

The Board of Directors shall have the sole authority to negotiate with any public or private body or person having the power of eminent domain; and to sue or defend in any litigation, involving such bodies or persons with respect to the common elements of the Condominium, and shall assist any unit owner whose unit or a part thereof is the subject of any condemnation or eminent domain proceeding; provided, however, nothing in this or any document or agreement relating to the Condominium shall be construed to give a unit owner or any party priority over the rights of the first mortgagees of any Condominium units in the case of a distribution to the unit owner of any such condemnation awards for losses to or a taking of a unit and/or the common elements.

ARTICLE XI Dispute Resolution

11.1 Use of Dispute Resolution. If any dispute arises relating in any way to matters governed by, or for which procedures are set forth in, these Bylaws, the Declaration of the Association, or any Rules or Regulations adopted by the Board of Directors, the parties to the dispute must utilize the procedures described in this Article XI before commencing any legal or other action provided by the Declaration, the Bylaws, or otherwise provided by law. In the event any party subject to the Declaration and Bylaws initiates legal action before exhausting all remedies provided in this Article XI, then such party shall pay the non-initiating party any and all documented reasonable legal expenses incurred in defending against such action, regardless of the outcome of that action. If the party initiating any such action is the legal or equitable owner of a condominium unit, such attorney fees and costs shall constitute a lien on that party's interest in such unit. A request for mediation cannot be refused and at least two sessions of two hours each must be conducted within the stated time limits.

11.2 Initiation of Procedure. The initiating party shall give written notice to the other party, describing the nature of the dispute, its claim for relief, and identifying one or more individuals with authority to resolve the dispute on such party's behalf. The other party shall have five (5) business days within which to designate in writing one or more individuals with authority to resolve the dispute on such party's behalf.

11.3 Selection of Mediator. Within ten (10) business days from the date of designation, the parties shall make a good faith effort to select a person to mediate the dispute. If no mediator has been selected under this procedure, the parties shall jointly use the resources of the Oregon Mediation Association to select such mediator.

11.4 Time and Place for Mediation: Parties Represented. In consultation with the mediator selected, the parties shall promptly designate a mutually convenient time and place for the mediation, such time to be no later than thirty (30) days after selection of the mediator. In the mediation, each party shall be represented by persons with authority and discretion to negotiate a resolution of the dispute. The parties may be represented by counsel.

11.5 Conduct of Mediation. To the extent that the parties are unable to agree on a format or procedures, the mediator shall determine the format for the meetings, and the mediation session shall be private. The mediator will keep confidential all information learned in private caucus with any party unless specifically authorized by such party to make disclosure of the information to the other party. The parties agree that the mediation shall be governed by the rules of the Oregon Mediation Association and such other rules as the mediator shall prescribe.

11.6 Fees of Mediator: Disqualification. Unless otherwise negotiated by the parties, the fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters. The parties agree that neither they nor any attorney for them will seek the production of the mediator's notes nor will they seek the appearance of the mediator in any judicial or administrative hearing.

11.7 Confidentiality. Mediation is a compromise negotiation for purposes of Federal and State Rules of Evidence. The degree of confidentiality shall be decided and agreed to by the parties to the dispute.

11.8 Binding Nature of Agreements. The parties agree that if they reach an agreement in the mediation session that is written and signed then they will be bound by that agreement; not seek to overturn that agreement and will conform to the terms of that agreement.

11.9 Progress Review. There shall be a progress review meeting within 90 days of the mediation decision. That date shall be set at the time of the mediation decision. The parties to the mediation, along with a mediator, shall determine any further changes to be made to fulfill the letter and spirit of the decision.

11.10 Arbitration/Litigation. The parties acknowledge that they may not resolve any or all of the issues through mediation. If mediation fails to produce an agreement within two (2) two-hour sessions, at the option of any of the parties in dispute, the matter may be submitted to binding arbitration or may be litigated in a court proceeding. If any of the parties calls for arbitration in such an event, it shall be conducted in the following manner:

11.10.1 Submission of Names. The parties shall submit a list of five

names to each other as potential arbitrators. Each side shall rank in order their choice with the highest number indicating the first preference. If each side presents their list to the other with preference, then the arbitrator most closely matching the preferences of each side, meaning the arbitrator with the highest score, shall be appointed. If either side finds no arbitrator suitable or cannot come to agreement regarding the process of selection, then the parties shall jointly utilize the resources of the Oregon Arbitration Association.

11.10.2 Submission of Issues. Both sides shall meet to clarify the submission of issues to the arbitrators and to render a single text of those issues. Failing such agreement, the mediator shall supply the arbitrator with submission of the issues, that may be amended by agreement of both parties.

11.10.3 Timing. Within 10 days of being named, the arbitrator shall schedule a hearing no later than 30 days later at which time the parties will present their evidence and arguments. The arbitrator shall weigh the evidence and arguments and the elements of the equity inherent in the position of each side. The parties shall be given up to, but no more than, three days to present the total case unless both sides agree differently. At the end of the last day of the hearing the arbitrator shall close the hearing and shall render an award within 14 days thereafter.

11.10.4 Nature of the Decision. The decision of the arbitrator shall be final and binding and shall be complied with as ordered by the arbitrator. Either party may enter the arbitrator's award into the appropriate court. The arbitrator shall determine what, if any, costs shall be recovered by either side from the other and shall award total advocacy fees and arbitration fees, as costs to one side or to be divided between both sides.

11.10.5 Liability of the Mediators or Arbitrators. It is declared by all parties subject to the Declaration and these Bylaws that they waive any and all right, title and interest in any claims against the mediators or arbitrators absent a finding of gross negligence against them. Absent such finding, any party undertaking legal action against the mediator or the arbitrator shall be obligated to pay the attorney's fees of the mediator or arbitrator in defending against such action.

ARTICLE XII Amendments to the Bylaws

12.1 How Proposed. Amendments to the Bylaws shall be proposed by a majority of the entire Board of Directors. 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.

12.2 Adoption. Amendments may be approved by the Association at a duly constituted meeting or ballot meeting conducted for such purpose. A vote of the majority of the unit owners is required for approval of any amendment except those items appearing in Section 12.3 below.

12.3 Restricted Amendments. Any amendments which relate to pets of unit owners, occupancy restrictions relating to the age or number of occupants, and the rental of units by unit owners shall require the approval of sixty-seven percent (67%) of the unit owners. Any such amendment must be reasonable in light of all of the facts and circumstances as affect the Association at the time the amendment is made.

12.4 Execution and Recording. An amendment shall not be effective until certified

by the chair and secretary of the Association, approved by the Real Estate Commissioner, if required by the Oregon Condominium Act, and recorded as required by law.

ARTICLE XIII
Records and Audits

13.1 General Records. The Board of Directors and managing agent or manager, if any, shall keep detailed records of the actions of the Board of Directors and managing agent or manager; minutes of the meetings of the Board of Directors; and minutes of the meeting 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 and a list of all mortgagees of units.

13.2 Records of Receipts and Expenditures. The Board of Directors or its designee shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common elements; itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners and mortgagees during normal business hours.

13.3 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.

13.4 Payment of Vouchers. The treasurer shall pay all vouchers up to One Thousand Dollars (\$1,000) signed by the chairperson, managing agent, manager, or other person authorized by the Board of Directors. Any voucher in excess of \$1,000 shall require the signature of the chairperson, as well as one (1) other person authorized by the Board of Directors.

13.5 Reports and Audits. An annual report of the receipts and expenditures of the Association and a balance sheet showing assets and liabilities shall be made available by the Board of Directors to all unit owners and, upon written request, to all mortgagees of units, within ninety (90) days after the end of each fiscal year. From time to time the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies thereof to the owners and such mortgagees. At any time any owner or mortgagee may, at his/her own expense, cause an audit or inspection to be made of the books and records of the Association.

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

13.7 Inspection of Records by Unit Owners. The Association shall maintain all of the documents delivered by the Declarant pursuant to Section 3.2. These and all other records of the Association shall be reasonably available for examination by a unit owner and any mortgagee of a unit. Upon written request, the Association shall make available for duplication any such records. The Association may charge a reasonable fee for furnishing copies of any documents, information, or records described in this section.

ARTICLE XIV
Miscellaneous

14.1 Notices. All notices to the Association or the Board of Directors shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. All notices to any unit owner shall be sent to such address as may have been designated by her/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.

14.2 Waiver. No restriction, condition, obligation, or provision contained in these Bylaws or rules and regulations adopted pursuant hereto 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.

14.3 Action Without a Meeting. Any action which the Oregon Condominium Act, the Declaration, or these Bylaws require or permit the members 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 Directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the Directors, shall be filed in the record of minutes of the Association.

14.4 Reports. The Condominium Information Report, the filing of an Annual Report and any amendments to either report, along with the fees associated therewith, shall be submitted to the Real Estate Agency in accordance with ORS 100.415(13) and ORS 100.265 by the Board of Directors when due.

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

14.6 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.

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THEREFORE, Cascadia Commons, L.L.C. and Development Group Services Corporation hereby adopt these Bylaws on behalf of the Cascadia Commons Condominium Community Homeowners Association, and certify that they will be recorded simultaneously with the Declaration and Plat for said Condominium in the Deed Records of Washington County after approval by the Real Estate Commissioner and the Washington County Assessor.

DATED this 23 day of June, 2000.

CASCADIA COMMONS, L.L.C.

By: Jennifer Gates
Member/Manager

STATE OF OREGON)

County of Washington

Personally appeared the above-named Jennifer Gates, member/manager of the above mentioned Cascadia Commons, L.L.C., being sworn stated that these Bylaws are voluntarily signed on behalf of the Cascadia Commons Condominium Community Homeowners Association, before me:



Michelle L. Lowell
Notary Public For Oregon
My commission expires: April 6, 2002

DEVELOPMENT GROUP SERVICES CORPORATION, an Oregon corporation

By: Ray A. Trotter
Its: _____

STATE OF OREGON)

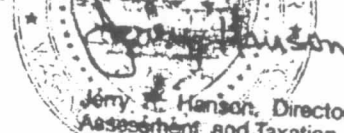
County of Washington

Personally appeared the above-named CRAY A. TROTTER, as PRESIDENT of the above mentioned Development Group Services Corporation, being sworn stated that these Bylaws are voluntarily signed on behalf of the Cascadia Commons Condominium Community Homeowners Association, before me:



Michelle L. Lowell
Notary Public For Oregon
My commission expires: April 6, 2002

I, Jerry R. Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for said county, do hereby certify that the within instrument was received and recorded in book of records of said county.



Jerry R. Hanson, Director of Assessment and Taxation, Ex-Officio County Clerk

Doc : 2000090115
Rect: 266437 32.00
11/07/2000 12:39:21pm

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After Recording Return to:
Vial Fotheringham, LLP
12725 SW 66th Avenue, Suite 107
Portland, OR 97223

**FIRST AMENDMENT TO THE BYLAWS
OF THE
CASCADIA COMMONS CONDOMINIUM COMMUNITY
HOMEOWNERS ASSOCIATION**

This First Amendment to the Bylaws of the Cascadia Commons Condominium Community Homeowners Association is made this 5th day of November, 2000 by the Cascadia Commons Condominium Community Homeowners Association ("Association").

RECITALS

A. Association is the homeowners association for Cascadia Commons Condominium Community formed pursuant to the Declaration of Condominium Ownership for Cascadia Commons Condominium Community recorded July 24, 2000 as Document No. 2000058477, Records of Washington County, Oregon (the "Declaration") and the Bylaws of the Cascadia Commons Condominium Community Homeowners Association recorded July 24, 2000 as Document No. 2000058478, Records of Washington County, Oregon (the "Bylaws").

B. Pursuant to Article XII of the Bylaws, with the consent or approval of at least a majority of unit owners, Association hereby amends Article VI in the manner set forth below.

NOW, THEREFORE, Section 6.8.2 of Article VI is amended to read:

6.8.2 Notwithstanding the above, and except as relates to mortgages guaranteed by the United States Department of Veterans Affairs, pursuant to ORS 100.450(7), the priority established for a lien for unpaid assessments and interest due the Association shall be prior to the lien of any prior mortgage or trust deed of record for the unit and the undivided interest in the common elements if:

(a) The Association has given the lender under the mortgage or trust deed ninety (90) days notice that the owner of the unit is in default of payment of an assessment. The notice shall contain:

(1) Name of borrower;

- (2) Recording date of trust deed or mortgage;
- (3) Recording information;
- (4) Name of condominium, unit owner and unit identification; and
- (5) Amount of unpaid assessment.

(b) The notice under paragraph (a) of this subsection shall set forth the following in ten-point type: NOTICE: The lien of the Association may take priority over that of the lender pursuant to ORS 100.450.

(c) The lender has not initiated judicial action to foreclose the mortgage or requested issuance of a trustee's notice of sale under the trust deed or accepted a deed in lieu of foreclosure in the circumstances described in ORS 100.465 prior to the expiration of ninety (90) days following the notice by the Association.

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

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

(f) A copy of the notice described in paragraph (a) of this subsection has been verified, filed and recorded.

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CERTIFICATION

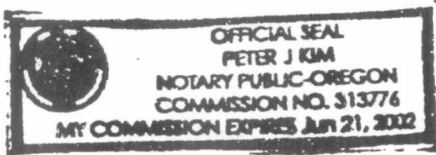
The undersigned Chair and Secretary of Cascadia Commons Condominium Community Homeowners Association hereby certify that the within First Amendment to the Bylaws of Cascadia Commons Condominium Community Homeowners Association has been approved by the unit owners as provided in Article XII of the Bylaws and ORS 100.410.

**CASCADIA COMMONS CONDOMINIUM
COMMUNITY HOMEOWNERS
ASSOCIATION**

By: [Signature] 11/6/00
Chair
By: [Signature] 11/6/00
Secretary

STATE OF OREGON)
) ss
County of Washington)

The foregoing instrument was acknowledged before me this 6th day of November, 2000 by Donald Jr Westlight and Linda Scott Chair and Secretary, respectively, of Cascadia Commons Condominium Community Homeowners Association, on its behalf



[Signature]
Notary Public for Oregon
My Commission Expires: June 21, 2002

The foregoing First Amendment to the Bylaws of the Cascadia Commons Condominium Community Homeowners Association is approved pursuant to ORS 100.110 this 7th day of November, 2000.

Scott W. Taylor
OREGON REAL ESTATE COMMISSIONER

By: [Signature]
Brian DeMarco

Returned to:
Jennifer Gatz
4433 SW 94th
Portland 97225

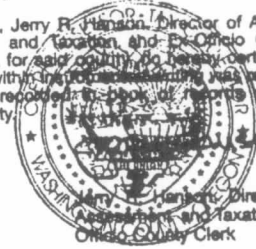
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WASHINGTON COUNTY 2001-080978



STATE OF OREGON }
County of Washington } SS

I, Jerry R. Haraden, Director of Assessment and Taxation, and Ex-Officio County Clerk for said county, do hereby certify that the within instrument has been received and recorded in the book of records of said county.



Doc : 2001080978
Rect : 285367 42.00
08/10/2001 02:29:42pm

EASEMENT AGREEMENT FOR
STORM SEWER MANHOLE

A. Parties

1. Cascadia Commons Condominium Community Homeowners Association (Grantor")
2. Village Commons Homeowner Association ("Grantee")

B. Recitals

1. Grantor represents the owners of the real property described on the attached and incorporated by this reference Exhibit "A", Washington County, Oregon ("Property A").
2. Grantee is the owner of all the common areas in the plat of Village Commons, recorded in the plat records of Washington County, Oregon.
3. During the course of construction of the site improvements for the Village Commons subdivision, the developer, in accordance with the requirements of governmental agencies, installed a storm sewer manhole (the "Manhole") located near the northeast corner of Lot 3, Village Commons.
4. A portion of the Manhole lies on Property A owned by the Grantor, and Grantee has requested that Grantor grant and easement for the Manhole as hereinafter described, and Grantor is willing to do so as set forth in this Easement Agreement.

C. Agreement

In consideration of the promises and covenants contained herein, and other good and valuable consideration, the parties agree as follows:

1. Grant of Storm Sewer Manhole Easement. Grantor hereby grants and conveys to Grantee an Easement for Storm Sewer Manhole purposes (the "Easement") which Easement is 10 feet by 12 feet in size and is described as follows:

"Beginning at the northeast corner of Lot 3, Village Commons, Washington County, Oregon, thence running north 6 feet to a point, thence running east 10 feet to a point located in Property A; thence running south 12 feet to a point, thence running west 10 feet to a point on the west line of lot 3 which lies 10 feet south of the northeast corner of Lot 3, thence running north 6 feet to the point of the beginning, which is the northeasterly corner of Lot 3, Village Commons.

Said easement is also depicted on the map attached hereto as Exhibit 'B'. The Easement shall be perpetual and non-exclusive, and shall be a burden on and run with Property A.

1-5

2. Benefited Property. The Easement shall benefit the real property known as the Village Commons, a plat of record in Washington County, Oregon, and shall be a burden on such real estate to the extent of the maintenance and repair provisions contained herein.

3. Grantors Use of the Property. Grantor reserves the title to its land, subject to the Easement, and the right to make such use thereof as will not interfere with the uses and purposes of such Easement; provided however, Grantor shall not construct or place any permanent structure within the Easement area except upon the written consent of the Grantee.

4. Maintenance of the Storm Sewer Manhole Easement. Grantor shall bear any normal expense of maintaining the easement area around the Manhole. If the Grantor causes damage to the Manhole, or allows damage to occur through gross negligence, Grantor shall bear the cost of repairs. Otherwise, the Grantee shall bear the cost of maintenance of the Manhole & its associated structures; provided the Unified Sewerage Agency ("USA")(or its successor agency) may also maintain it if Grantee fails to do so. If the Grantee removes any landscaping from Property A, in order to maintain or repair the Manhole located in the Easement area, then the Grantee (or USA) shall restore and replace any landscaping or vegetation which may be damaged as a result of such construction, maintenance, or repair, and shall restore such landscaping to the original or better condition existing immediately prior to the repair, construction, or maintenance of the Easement. Grantor grants to the Grantee and USA a right of access for such maintenance and repair.

5. Attorney Fees. In the event of enforcement of this Easement, the prevailing party in any action, including any arbitration, suit, or appeal, shall be entitled to an order granting such party's cost for arbitration fees or attorney fees against the losing party, including on appeal.

6. Binding Effect. This Easement shall be binding upon the heirs, successors, and assigns of each party to this Easement. This Easement shall be interpreted and enforced in accordance with the laws of the state of Oregon.

7. Recording. After execution by all parties hereto, this Easement shall be recorded in the Official Records of Washington County, Oregon.

IN WITNESS WHEREOF, the parties agree to and have executed this Easement on the dates witnessed below.

GRANTOR: Cascadia Commons Condominium Community
Homeowners Association

By: _____

Its: President

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STATE OF OREGON)

County of Multnomah) ss.

On this 11th day of July, 2001, personally appeared Don Westlight, who is the President of Cascadia Commons Homeowners Association, and who acknowledged the foregoing instrument as its free act and deed.



Julia A Spilker
Notary Public for Oregon
My commission expires 12/20/02

VILLAGE COMMONS HOMEOWNER ASSOCIATION

By: M Fawcett

Its: Pres. VCHOA

STATE OF OREGON)

County of Washington) ss.

On this 6th day of August, 2001, personally appeared Martha Fawcett, who is the President of Village Commons Homeowners Association, and who acknowledged the foregoing instrument as its free act and deed.



Cheri R Christopher
Notary Public for Oregon
My commission expires Oct 1, 2004