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HERBERT A. PERRY
ASSESSOR AND TAX COLLECTOR
MULTNOMAH COUNTY

CONDOMINIUM DECLARATION APPROVED
OREGON REAL ESTATE DIVISION

Jack Jones
Signature
DATE: 11-7-73

DECLARATION OF UNIT OWNERSHIP

OF

CEDARGLEN, A CONDOMINIUM

BOOK 959 PAGE 615

THIS DECLARATION, made this ____ day of July, 1973, by
LAWRENCE D. KRAUSE and NORMAN H. FENTON, partners, hereinafter
called "Declarants,"

W I T N E S S E T H :

WHEREAS, Declarants are the owners of a leasehold for
a term ending June 30, 2079, in the real property situated in
the County of Multnomah, State of Oregon, described in Exhibit "A"
attached hereto and by this reference incorporated herein; and

WHEREAS, there is presently constructed upon said real
property certain townhouse buildings and other improvements; and

WHEREAS, Declarants desire and intend to divide said
buildings and improvements, together with the leasehold estate,
into condominium units under the terms and provisions of the
Oregon Unit Ownership Law (ORS 91.505 to 91.675) and to convey
the same to various purchasers, subject to the covenants, re-
strictions, conditions, easements, charges and liens hereinafter
set forth, each and all of which are for the benefit of such
property and its present and subsequent owners as hereinafter
specified;

NOW, THEREFORE, Declarants hereby declare that all of
the property described in Exhibit "A" shall, for the period of
the leasehold ending June 30, 2079, be held, sold, used and
conveyed subject to the following easements, covenants, restric-
tions, charges and liens, hereinafter sometimes referred to as
"covenants and restrictions." It is understood and agreed that
at the termination of the leasehold ending June 30, 2079, this

Declaration shall terminate and the real property described in Exhibit "A" and all improvements thereon shall revert to the Lessor under the terms and conditions of the Ground Lease entered into June 30, 1970, by Glennbrooke, Inc., as Lessor, and Glennbrooke Manor, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, as Lessee. The covenants and restrictions shall run with the property for the period of the leasehold ending June 30, 2079, and shall be binding on all parties having or acquiring any right, title or interest in the property or any part thereof, for the period of the leasehold ending June 30, 2079, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

Declarants hereby accept the definitions set forth in ORS 91.505, unless the context clearly indicates a different meaning therefor. In addition, the following terms shall be defined as hereinafter set forth:

1.1 "Association" shall mean CEDARGLEN UNIT OWNERS ASSOCIATION, which is an unincorporated association of unit owners.

1.2 "Board of Directors" shall mean the board of directors of the Association.

1.3 "Condominium" shall mean the entire estate in the real property owned by an owner, consisting of an undivided interest in the general common elements, and ownership of a separate interest in a unit for the period of the lease with Glennbrooke, Inc.

1.4 "Declaration" shall mean this instrument, its amendments and supplements thereto.

1.5 "Owner" shall mean the record owner, whether one or more persons or entities, of the ownership interest in any unit situated upon the properties, but shall not mean a mortgagee. Declarants shall be considered an owner with respect to any unsold units.

1.6 "Property" and "properties" shall mean the real property subject to this Declaration described hereinafter in Section 2.1.

1.7 "Unit" shall mean a part of the properties and elements of a condominium excluding general common elements, each such unit being shown on the plot plan attached hereto as Exhibit "B" and by this reference incorporated herein.

ARTICLE II

Property Subject to the Declaration

2.1 A leasehold estate for the period ending June 30, 2079, in the real property described in Exhibit "A."

ARTICLE III

Name and Unit Description

3.1 Name. The name by which the properties shall be known is CEDARGLEN, a condominium.

3.2 General Description of Units. Each unit is of wood frame construction consisting two (2) stories. There are twenty-two (22) units, and the general location of each such unit, the unit designation, and all other data necessary for proper identification of each unit is set forth in Exhibit "B," attached hereto and by this reference incorporated herein.

ARTICLE IV

Common Elements

4.1 General Common Elements. General common elements shall include all walls, roofs and foundations, and shall in

general consist of all portions of the properties, structures and improvements thereon which are not units. In addition, the general common elements shall include the concurrent use of the swimming pool and any other recreational facilities located on and which are a part of the general common elements of Glennbrooke Ridge, a condominium, said concurrent use being established in the Declaration of Unit Ownership of Glennbrooke Ridge, a condominium, and being clarified in an agreement between Glennbrooke Ridge Property Owners Association and Glennbrooke Manor, dated May 21, 1973.

Each owner shall have an undivided 1/22nd interest (4.545%) in such general common elements. No owner's individual interest in the general common elements shall be separated from the unit to which it appertains, and each such individual interest shall be conveyed or encumbered with such unit, though such interest is not expressly mentioned or described in the conveyance of such unit.

4.2 Limited Common Elements. There are no limited common elements.

4.3 Common Elements to Remain Undivided. Common elements shall remain undivided, and no owner shall bring any action for partition or division of any part thereof while the properties are subject to this Declaration.

ARTICLE V

Uses and Limitations of Each Building and Unit

5.1 Use of Units. Each building, excluding the portions thereof which consist of units, is a part of the general common elements. Each unit is intended for use as a private residence for the owner, his family and guests; except that each owner shall be permitted to rent or lease his unit as an apartment during periods

when he shall not be occupying such unit. No lease or rental of a unit shall excuse the owner from payment of any charges and assessments to which his unit is subject pursuant to this Declaration.

5.2 Limitation on Use. The following restrictions are applicable to the use of any units:

5.2.1 No unit shall be used for any purpose other than residential purposes.

5.2.2 No animals or fowls shall be raised, kept or permitted upon the properties or any part thereof, excepting only domestic dogs or cats and excepting caged pet birds kept within the unit, providing such dogs, cats and pet birds are not permitted to run at large and are not kept, bred or raised for commercial purposes or in unreasonable numbers.

5.2.3 No noxious or offensive activities shall be carried on in any unit or in any part of the general common elements, nor shall anything be done or maintained thereon which may be or become an annoyance or nuisance to the neighborhood or detract from its value as a high-class residential district.

5 5.2.4 No trucks, campers, trailers or boats shall be parked or permitted to remain in any portion of the general common elements, except inside the owner's garage or in such specific parking areas as may be assigned by the Association to such recreational vehicle.

5.2.5 No owner or occupant shall remove or significantly alter any tree, shrub or any other improvement in any portion of the general common elements unless permission in writing is first granted by the Association.

5.2.6 Nothing shall be done or kept by any owner or occupant in any unit or in the common elements which will

increase the rate of insurance on the common elements without written consent of the Association. No owner shall permit anything to be done or kept in his unit or in the common elements which will result in the cancellation of insurance on any unit or on any part of the common elements, or which would be in violation of any law.

5.2.7 All parts of the common elements, including walks and driveways are for the use of owners on an equal basis. It shall be the responsibility of each owner to allow maximum ease of pedestrian and vehicular ingress and egress over walks and driveways by prohibiting automobile parking in front of garages or in the alleyways and allowing no obstruction or barrier on, across or adjacent to sidewalks.

5.2.8 In addition to all other remedies available for the enforcement of these covenants and restrictions, the Board of Directors shall have the power to establish, assess and collect fines for any and all violations.

ARTICLE VI

Limitation on Use of Common Elements

6.1 Each owner's right to the use of the common elements shall be subject to the following limitations:

6.1.1 The right of the Association to limit the number of guests permitted to use the recreational facilities which are a part of the common elements.

6.1.2 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility which is a part of the common elements, and to promulgate reasonable rules and regulations in regard to the use of such facilities.

6.1.3 The right of the Association to suspend the enjoyment rights of any owner, member of his family, guest or tenant for any period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of published rules and regulations.

ARTICLE VII

Service of Process

7.1 The name of the person to receive service of process in the cases provided in ORS 91.635(1) is LAWRENCE D. KRAUSE, and his place of business within Multnomah County, Oregon, is 4825 S. W. Caldew, Portland, Oregon.

ARTICLE VIII

Covenants for Payment of Share of Common Expenses and Special Assessments

8.1 Creation of Lien and Personal Obligation. Each owner, upon acceptance of the deed to a unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

8.1.1 His proportionate share of common expenses as determined by annual assessments or charges.

8.1.2 Special assessments for capital improvements as may be fixed, established and collected from time to time as hereinafter provided.

8.1.3 Fines assessed pursuant to Section 5.2.8 of Article V of these covenants and restrictions.

Such annual and special assessments and fines, together with interest thereon and cost of collection thereof as hereinafter provided, shall be a continuing lien against the condominium of any owner to whom such assessment and/or fine applies and shall

also be the personal obligation of the person who is the owner of such condominium at the time when the assessment and/or fine falls due.

8.2 Purpose of Annual Assessments. The annual assessment levied by the Association shall be for the purpose of paying the excess of common expenses over common income and shall be deemed exclusively for the purpose of promoting the recreation, health, safety and welfare of the owners, and in particular for the improvement and maintenance of property, services and facilities devoted to this purpose and related to the use and enjoyment of the common elements. Without limiting the generality of the foregoing, assessments for common expenses shall be used to pay the rent payments under the Ground Lease entered into June 30, 1970, by Glennbrooke, Inc., as Lessor, and Glennbrooke Manor, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, as Lessee, the cost of leasing facilities for the use of owners, the cost of water and garbage removal, the payment of insurance and ad valorem taxes upon the common elements. It is understood that the Association shall, as of the date of commencement of annual assessments as hereinafter set forth, assume and make all payments required under the Ground Lease entered into June 30, 1970, by Glennbrooke, Inc., as Lessor, and Glennbrooke Manor, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, as Lessee, and shall indemnify and hold Declarants harmless from any further liability thereunder.

8.3 Basis of Annual Assessment. Unless changed by the membership as hereinafter provided, the maximum annual assessment for any unit shall be \$50.00 per year, provided that the maximum annual assessment shall be increased or decreased by 1/22nd of

each annual increase or decrease in the rental under the Ground Lease entered into June 30, 1970, by Glennbrooke, Inc., as Lessor, and Glennbrooke Manor, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, as Lessee. The Board of Directors may, after consideration of current maintenance costs, income of the Association, and its financial requirements, fix the actual annual assessment at an amount less than the maximum. Upon vote of the membership as hereinafter provided, the Association may change the maximum annual assessment fixed by this section prospectively.

8.4 Special Assessments for Capital Purposes. Upon vote of the Association in the manner hereinafter set forth, the Association may levy, in addition to annual assessments, a special assessment in any calendar year applicable to that year only, for the purpose of defraying in whole or in part the cost of construction or reconstruction or expected repair or replacement of a described capital improvement upon the common elements including necessary fixtures and personal property related thereto.

8.5 Uniform Rate of Assessment. Both the annual and special assessments must be fixed at a uniform rate for all units and may be collected on an annual, quarterly, or monthly basis in the discretion of the Board of Directors.

8.6 Voting and Notices for Special Assessment and Change of Maximum Assessment. Any special assessment or change in maximum annual assessment must have the assent of two-thirds (2/3) of the owners who vote in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all such owners at least thirty (30) days in advance of the date of such meeting, setting forth the purpose of the meeting.

8.7 Date of Commencement of Annual Assessments. The initial annual assessments for the excess of common expenses over common income shall commence on the first day of such month as determined by the Board of Directors of the Association, shall be made for the balance of the calendar year, and shall be due and payable on the date fixed by the Board. Annual assessments for any year after the first year shall become due and payable on January 15 of such year.

The amount of the initial annual assessment for the first year in which assessments are made shall be pro-rated on a calendar-year basis according to the date of the first assessment. The due date of any special assessment shall be fixed in the resolution authorizing such assessment.

8.8 Duties of the Board of Directors. The Board of Directors shall fix the amount of the assessment against each unit for each assessment period and give the owner subject to such assessment written notice of such assessment at least thirty (30) days in advance of the due date thereof, and the Board shall cause to be prepared a roster of the condominiums and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner.

The Association shall upon demand at any time furnish to any owner liable for an assessment a letter signed by an officer of the Association setting forth whether the assessment has been paid. Such letter shall be conclusive evidence of the payment of any assessment therein stated to have been paid.

8.9 Effect of Nonpayment of Assessments and Fines. If an assessment and/or fine is not paid on the date when due, such assessment and/or fine shall become delinquent and shall, together with interest thereon and cost of collection thereof as

hereinafter provided, continue as a lien on the condominium against which such assessment and/or fine was made, and the Association shall comply with the provisions of ORS 91.580 with respect to such lien. The personal obligation of the then owner to pay such assessments and fines, however, shall remain his personal obligation and the successor in title shall be liable therefor as provided in ORS 91.590(2). If the assessments and fines are not paid within thirty (30) days after the delinquency date, the assessments and fines shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum and the Association may bring an action at law against the owner personally obligated to pay the same, or to foreclose the lien against the property.

In the event a judgment is obtained in favor of the Association, such judgment shall include interest on the assessments and fines as above provided and a reasonable attorney's fee to be fixed by a court at either a trial or an appellate court level, together with the costs and disbursements incurred. Any rentals received by the Association for the use of the unit may be applied to such assessments and fines at the option of the Board of Directors.

8.10 Effect of Failure of Board of Directors to Set Assessment. The omission by the Board of Directors within the time set herein to fix the assessments hereunder shall not be deemed a waiver of or modification in any respect of the provisions of the Declaration or a release of the owner from the obligation to pay an assessment or any installment thereof, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

8.11 Subordination of the Lien to Mortgages. The lien of the assessments and fines provided for herein shall be subordinate to the lien of any mortgage or deed of trust, provided

however, that such subordination shall apply only to the assessments and fines which have become due and payable prior to the sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments and fines thereafter becoming due, nor from the lien of any such subsequent assessments and fines. No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment which does not join in the execution thereof.

8.12 Right of Mortgagee to Vote at Association Meetings Under Certain Circumstances. If the mortgagee of any unit owner determines that the Board of Directors is not providing an adequate maintenance, repair, and replacement program for the project, as required in paragraph 8.2, such mortgagee, at its option, may deliver a written notice to the Board of Directors by delivering same to the registered agent required pursuant to ORS 91.935, setting forth the particular defect that it believes exists in the maintenance, repair, and replacement program. If the specified defects are not corrected within ninety (90) days subsequent to the receipt of such notice, then the mortgagee, upon written notice to the registered agent that it is exercising its proxy rights thereunder, shall have the right to attend succeeding annual or special meetings of the Association of Unit Owners and to cast a vote for each unit on which it holds a mortgage lien on all business coming before such meeting, which said proxy rights shall continue until the defects listed on the aforementioned notice are corrected.

ARTICLE IXOwner's Obligation to Repair

9.1 Each owner shall at the owner's expense keep the interior of his unit, its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition; shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of such unit. In addition, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, fans, heaters, heating equipment, lighting fixtures, refrigerators, dishwashers, disposals, or ranges that may be in or connected with his unit.

The Board of Directors and managers shall not be responsible to the owner for loss or damage by theft or otherwise of articles which may be stored by the owner in any portion of his unit.

ARTICLE XRestrictions on Maintenance,
Construction and Improvement

10.1 Permission Required for Alterations. Owner shall not without first obtaining written consent of the Board of Directors make, or permit to be made, any structural alterations, improvements, subdivisions, or additions in or to his unit, or in and to the exterior of the building in which his unit is located or other general common elements. Owner shall not paint or decorate any portion of his deck, patio or other exterior portion of his unit without first obtaining the written consent of the Board of Directors.

10.2 Mailboxes. The location, color, size, design, lettering and other particulars of mail or paper-delivery boxes shall be subject to the approval of the Board of Directors.

10.3 Signs. No sign or other advertising device of any character shall be erected on any unit or maintained upon any part of the properties except one (1) sign not larger than 18 inches by 24 inches advertising a unit for sale or for rent. Signs advertising the property for sale or for rent by a real estate broker shall not be permitted. Provisions of this section are not applicable to Declarants.

10.4 Antennas and Aerials. All outside television and radio antennas and aerials are prohibited without express written consent of the Association.

ARTICLE XI

Easements and Encroachments

11.1 Reservation of Easements. Declarants hereby grant to the Association and also reserve to Declarants, their successors, heirs and assigns, perpetual easements under, over and across all general common elements for the purpose of erecting, constructing, maintaining and operating sewers and drainage systems, and poles, pipes, wires, cables, guys, anchorages and conduits for lighting, heating, power, telephone, television transmission, and any other method of conducting and performing any public or quasi-public utility service or function beneath, upon or above the service of such common elements. Declarants reserve the right to cut and/or trim any tree or other growth upon such common elements which may interfere with or menace the construction, maintenance or operation of such utilities.

11.2 Easements to Association. There is hereby granted to the Association, its agents and servants an easement in gross with respect to all of the properties for the purpose of entry and access for landscaping and maintenance of the common elements, for the performance of its duties of exterior maintenance, and for

the execution generally of its rights and obligations as otherwise provided in this Declaration.

11.3 Easement of Ingress and Egress. There is hereby granted to owners and tenants, invitees and guests a non-exclusive easement for ingress and egress over the common elements.

11.4 Encroachments. None of the rights and obligations of the owners created herein shall be altered in any way by encroachment through the settlement, shifting or rebuilding of structures or any other cause. There shall be valid easements for the maintenance of such encroachments for so long as they shall exist, provided, however, that in no event shall a valid easement for encroachment occur due to the willful conduct of an owner or owners.

ARTICLE XII

Failure of Board of Directors to Insist upon Performance

12.1 Failure of the Board of Directors or manager to insist in any instance upon strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or institute any action shall not be construed as a waiver for the future of such term, covenant, condition, or restriction, but such term, covenant, condition, or restriction shall remain in full force and effect.

ARTICLE XIII

Limitation of Liability and Indemnification of Board of Directors

13.1 Limitation of Liability. Neither the manager nor the Board of Directors, nor any member thereof, shall be liable for any failure of any utility service to be obtained and paid

for by the Board of Directors hereunder, or for any injury or damage to person or property caused by the elements or by another owner or person in the properties for damage from electricity, water, rain, snow or ice which may leak or flow from outside or from any part of any building or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place, unless caused by any gross negligence of the Board of Directors or manager as the case may be. No diminution or abatement of assessments for common expenses shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common elements or from any action taken to comply with any law, ordinance, or orders of a governmental authority.

13.2 Indemnification of Directors. Each Director shall be indemnified by the owners against all expenses and liabilities including attorney's fees reasonably incurred and imposed upon him in connection with any proceeding in which he may be a party and in which he may be involved by reason of his being or having been a member of the Board of Directors, or any settlement of such liability whether or not he is a member of the Board of Directors at the time such expenses are incurred, except in cases wherein the Director is adjudged guilty of willful nonfeasance, misfeasance, or malfeasance in performance of his duties. In the event of a settlement, however, such indemnification shall apply only when the Board of Directors approves such settlement as being for the best interests of the Association.

ARTICLE XIV

Insurance

14.1 Duty to Obtain Insurance. The manager, acting under the direction of the Board of Directors and as trustee for

the Association, shall obtain and maintain at all times insurance for the benefit of the Association and the owners, in the type, kind and amount hereinafter provided. Payments for such insurance shall be paid as part of the common expenses of the Association:

14.1.1 Policy or policies of fire insurance with extended coverage endorsement for the full insurable replacement value of all units and common elements. Such policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each condominium, if any. During the initial sale of all condominiums in the properties, the amount of such policy may be the cost of the unsold condominiums plus the full insurable replacement value of all the condominiums not owned by the Declarants.

14.1.2 A policy or policies insuring the Association, its Board of Directors, the owners and the manager against any liability to the public or the owners, their invitees or tenants, incident to ownership or use of the properties. Limits of liability under such policy shall be not less than \$100,000/\$300,000 for personal injury and \$100,000 property damage in each occurrence with such limits and coverage to be reviewed at least annually by the Board of Directors. Such policy or policies shall be issued on a comprehensive liability basis to provide cross liability endorsements wherein the rights of the insured under the policy shall not be prejudiced as respects any right of action of any such insured against another named insured.

14.2 Quality of Insurance Policies. All insurance policies required under this article shall be written in a company licensed to do business in Oregon and holding a rating of A+/AAA or better, by Best's Insurance Reports.

14.3 Authority to Adjust Losses. Exclusive authority to adjust losses under policies hereafter in force pursuant to this article shall be vested in the Board of Directors, or its authorized representative.

14.4 Contribution. In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual owners or their mortgagees.

14.5 Owner's Additional Insurance. Each owner may obtain additional insurance at his own expense, provided, however, that no owner shall be entitled to exercise his right to maintain insurance coverage in such way as to decrease the amount which the Board of Directors on behalf of all of the owners may realize under any insurance policy which the Board of Directors may have in force on the properties at any particular time.

14.6 Notification as to Improvements. Each owner must notify the Board of Directors in writing of any improvements to his unit, the value of which improvements is in excess of \$1,000.00.

14.7 Duty to File Copies of Individual Policies. Any owner who obtains individual insurance policies covering any portion of the properties other than personal property belonging to such owner, shall file copies of such individual policy or policies with the Board of Directors within thirty (30) days after purchase of such insurance.

14.8 Provisions of Insurance Policies. The Board of Directors shall make every effort to secure insurance policies that will provide:

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

14.8.2 That the master policy on the properties cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual owners, 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.

14.8.3 That any "no other insurance" clause in the master policy exclude individual owners' policies from consideration.

14.8.4 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 mortgagor-owner or the Association or other owners, nor canceled for nonpayment of premiums.

14.9 Review of Insurance. At least every three (3) years the Board of Directors shall review all insurance carried by the Association, and such review shall include appraisal of all improvements to the properties by a representative of the insurance carrier writing the master policy.

ARTICLE XV

Damage and Destruction

15.1 Application of Insurance Proceeds. In the case of fire, casualty, or other insured loss, the insurance proceeds of insurance policies covering such loss, if sufficient to reconstruct the buildings damaged or destroyed, shall be applied to such reconstruction. "Reconstruction" of the damaged or destroyed buildings means restoring the buildings to substantially the same condition in which they existed prior to such loss, with each unit and the common elements having the same vertical and horizontal boundaries

as before such loss. Final approval of such reconstruction shall be made by the Board of Directors of the Association.

15.2 Procedure if Insufficient Insurance Proceeds. 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 by the Board of Directors using the proceeds of insurance, if any, on the buildings for that purpose, and the owners shall be liable for assessment for any deficiency. Such deficiency shall take into consideration with respect to any owner's contribution, any individual policy of insurance proceeds provided by such owner.

15.3 Owners' Rights if Substantial Destruction of Properties. However, if three-fourths (3/4) or more in value of all of the buildings on the properties are destroyed or substantially damaged, and if the owners by a vote of at least three-fourths (3/4) thereof decide, within sixty (60) days after such destruction or damage, not to make provision for repair, reconstruction or rebuilding of the damaged buildings, the properties shall be considered to be removed from the provisions of the Oregon Unit Ownership Law, with the legal consequences resulting therefrom as set forth in ORS 91.665 and 91.670. In such event, the Board of Directors shall file a notice of the decision of the owners within such 60-day period with the County Recorder of Multnomah County.

ARTICLE XVI

Personal Property

16.1 The Board of Directors or the manager may acquire and hold for the benefit of the owners, personal property of any description and may dispose of the same by sale or otherwise. Beneficial interest in such personal property shall be owned by the

owners in the same proportions as their respective interests in the general common elements, and shall not be transferable by an owner except with the transfer of a condominium. Transfer of a condominium shall transfer ownership of the transferor's beneficial interest in such personal property to the transferee.

ARTICLE XVII

Reserves and Overassessments

17.1 Reserves. The Board of Directors in its discretion may establish such reserves as good business judgment warrants for the improvement, repair or other needed expenditures of maintenance of the Association and the general common elements. To fund such reserves, the Board of Directors may include additions to such reserve fund as a common expense in any assessment made against the owners. All such reserves shall be held by the Board of Directors as trustees, in trust for the owners as their contribution thereto shall appear, and shall not become the funds of the Association until the expenditures for which such reserve is created has become due and payable.

17.2 Overassessment. At the end of each fiscal year of the Association, the Board of Directors shall cause to be repaid promptly to each owner any amount by which his assessment during the fiscal year shall have exceeded the amount necessary to fund the difference between the common expenses and common income of the Association during such fiscal year. In lieu of refunding such overassessment in cash, the Board of Directors may credit the amount of such overassessment over against the owner's assessment for the succeeding fiscal year.

17.3 Enforcement. The Association or any owner shall have the right to enforce by any proceeding at law or equity all

restrictions, conditions, covenants and reservations imposed by this Declaration, and a similar right shall exist with respect to recovery of damages for any such violation. In any suit or action contemplated by this section, the prevailing party shall be entitled, in addition to costs thereof, to such attorney fees as may be awarded by the court in such suit or action, including attorney fees on any appeal of any judgment or decree.

ARTICLE XVIII

General Provisions

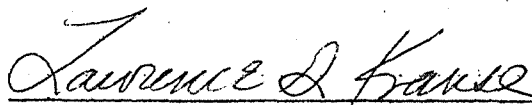
18.1 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose in creating a uniform plan for the development and operation of a condominium project.

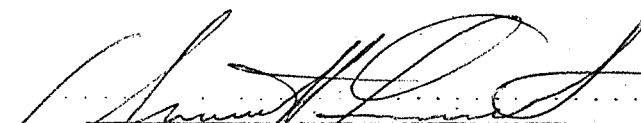
18.2 Amendment. Except as otherwise provided herein, this Declaration may be amended by an instrument in writing signed and acknowledged by the owners holding 75 percent of the voting rights hereunder, which amendment shall be effective on recordation in the office of the Recording Officer of Multnomah County, Oregon. At any time prior to the transfer of possession and ownership of any unit to its owner, Declarants shall have the right to amend, alter or withdraw this Declaration in whole or in part.

18.3 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision shall not effect the validity or enforceability of any other provision hereof.

18.4 Effective Date. This Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the undersigned being the Declarants herein have hereunto set their hands and seals as of the day and year first hereinabove set forth.


LAWRENCE D. KRAUSE

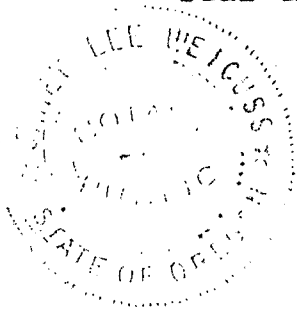

NORMAN H. FENTON

BOOK 959 PAGE 637.

STATE OF OREGON)
 : ss
County of Multnomah)

On this 14 day of July, 1973, before me appeared LAWRENCE D. KRAUSE and NORMAN H. FENTON, partners, and being first duly sworn acknowledged that they signed the foregoing document and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year last above written.



James L. Weicus
Notary Public for Oregon
My commission expires: 6-15-74

CONSENT

BENJ. FRANKLIN FEDERAL SAVINGS AND LOAN ASSOCIATION of Portland, Oregon, an association authorized by the laws of the United States of America, mortgagee, hereby consents to the execution and filing of this Declaration; provided, however, that by this consent mortgagee does not indicate that it has made any representation in respect to the real property herein described.

BENJ. FRANKLIN FEDERAL SAVINGS
AND LOAN ASSOCIATION

By: [Signature]
Vice-President

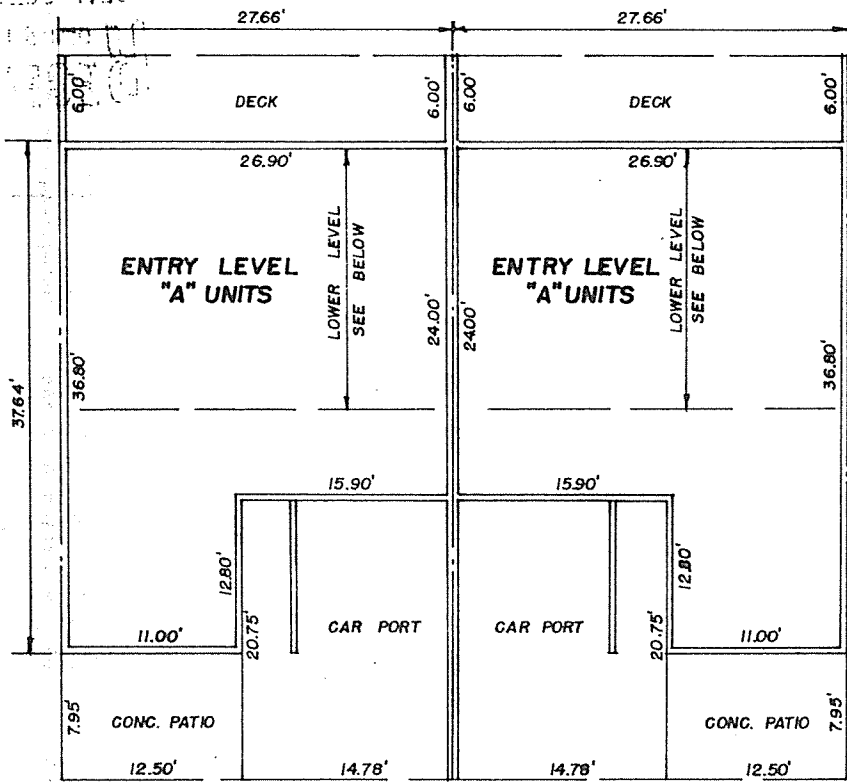
By: [Signature]
Secretary

BOOK 959 PAGE 638

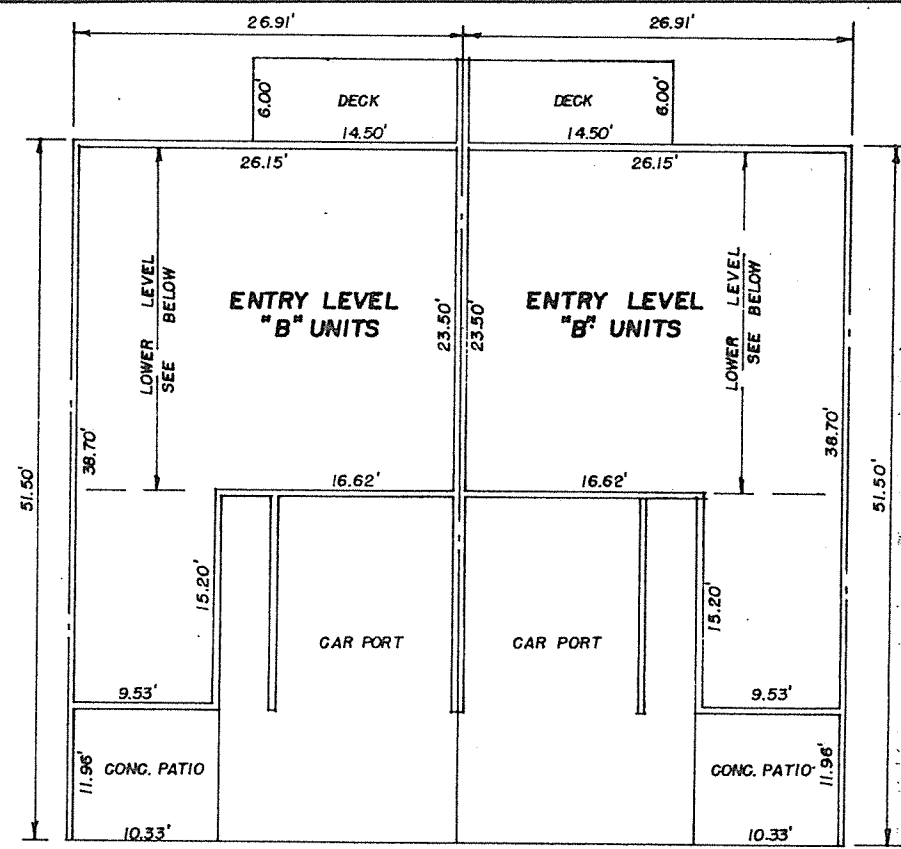
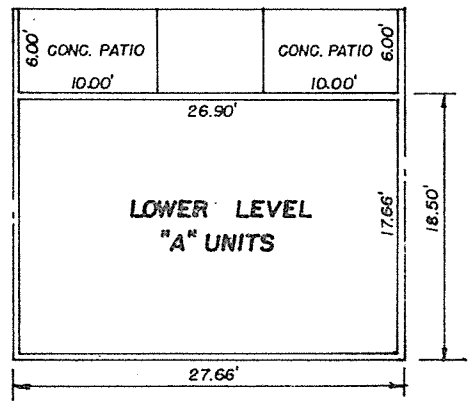
EXHIBIT "A"

A parcel of land located in the East one-half of the Northeast one-quarter of Section 19, Township 1 South, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, more particularly described as follows:

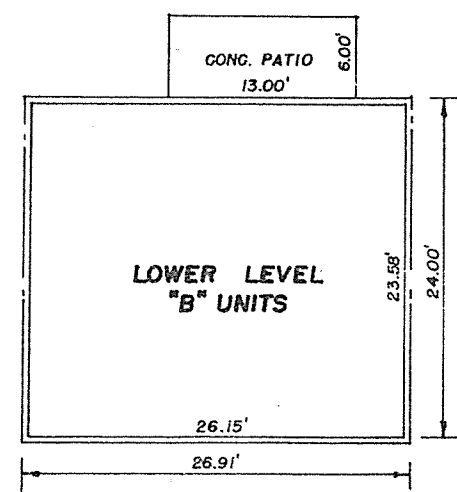
Beginning at the Northeast corner of said section; thence North 89° 11' 00" West 940.05 feet to a point on the East line extended North of Long Meadows, a recorded plat of Multnomah County; thence South 0° 06' 00" East along said East line and extension 1639.88 feet to the Southwest corner of property conveyed to Glennbrooke Inc., by deed recorded July 30, 1970 in Book 744 page 1675, Deed Records; thence North 89° 51' 45" East along the South line of said Glennbrooke Inc., property 609.91 feet to the Southeast corner thereof; thence North 0° 07' 05" West along the East line of S.W. 46th Avenue, 239.00 feet to the true point of beginning of the parcel to be herein described; thence West 149.17 feet; thence North 46.00 feet; thence West 89.39 feet; thence North 39.72 feet; thence West 143.00 feet; thence North 85.0 feet; thence West 101.82 feet; thence North 127.00 feet; thence East 83.92 feet to a point on the most Westerly East line of said Glennbrooke Inc. tract of land; thence South 0° 16' 10" East along said line 23.34 feet to the Southwest corner of that tract of land conveyed to the Archdiocese of Portland by deed recorded July 16, 1953 in Book 1611 page 434, Deed Records; thence South 89° 21' 25" East from said corner 233.79 feet to a Northerly corner of said Glennbrooke Inc. property; thence South 0° 07' 05" East from said Northerly corner 191.12 feet to a re-entrant corner of said Glennbrooke Inc. property; thence North 89° 51' 45" East from said corner 165.00 feet to the most Easterly Northeast corner of said Glennbrooke Inc. property; thence South 0° 07' 05" East along the East line of said S.W. 46th Avenue 81.00 feet to the true point of beginning.



TYPICAL FLOOR PLAN
"A" UNITS



TYPICAL FLOOR PLAN
"B" UNITS

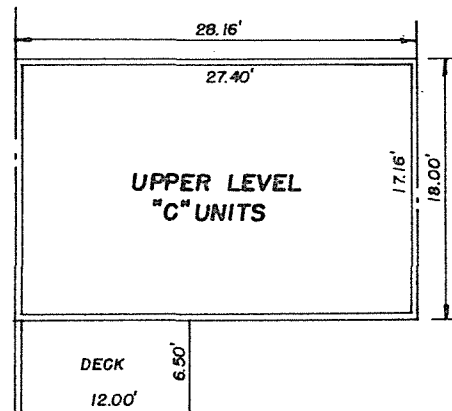
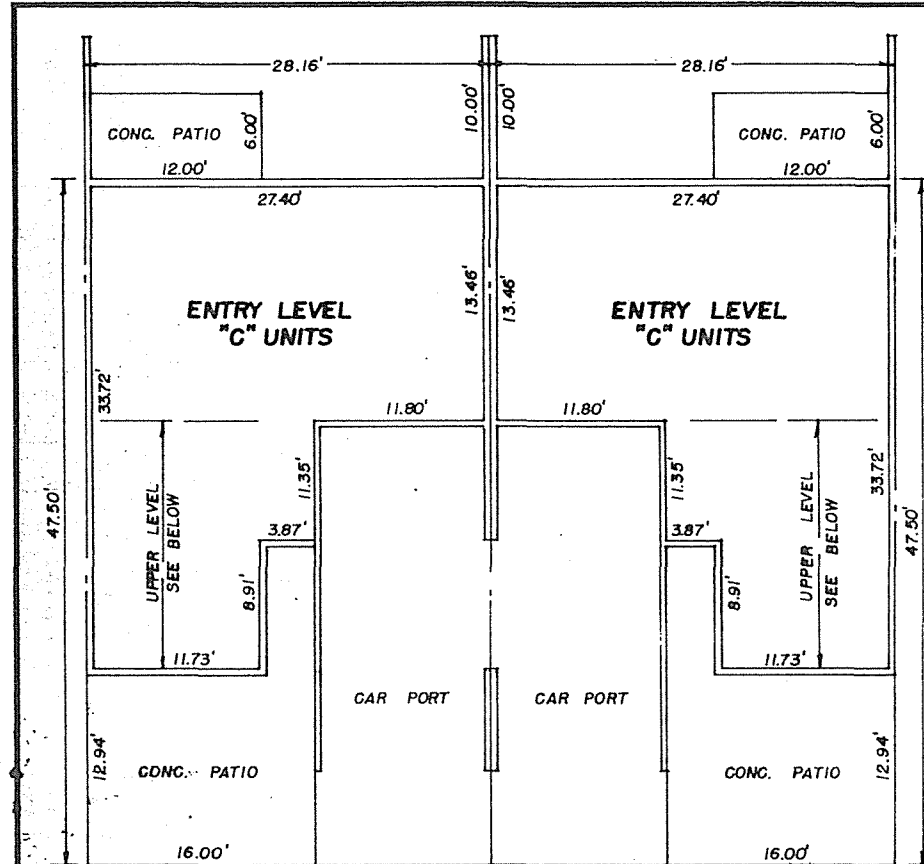


NOTE: ALL OUTSIDE WALLS ARE 00.42' THICK
ALL WALLS BETWEEN UNITS ARE 00.76' THICK.

CEDARGLEN CONDOMINIUM		
SCALE: 1" = 10'	APPROVED BY: GEORGE M. JACOBS, P.E.	DRAWN BY: F.L.B.
DATE: SEPT. 1973		REVISED
TYPICAL FLOOR PLAN "A" & "B" UNITS		
JIM WEDDLE & ASSOCIATES 1750 S.W. SKYLINE BLVD. PORTLAND, ORE.		DRAWING NUMBER 1 of 2

Exhibit D

Exhibit C

TYPICAL FLOOR PLAN
"C" UNITS

ENGINEER'S CERTIFICATE

I, George M. Jacobs a licensed registered engineer, hereby certifies that the foregoing floor plans of buildings, consisting of two pages, attached hereto to be denominated pages 1 to 2 of this Exhibit "A," as set forth in full, are the floor plans of buildings as constructed for the CEDARGLEN CONDOMINIUM, said floor plans fully and accurately depict the layout of CEDARGLEN CONDOMINIUM constructed in Portland, Multnomah County, Oregon. Said condominium structures were completed on the _____ day of _____, 197_____.

George M. Jacobs

STATE OF OREGON

County of Multnomah

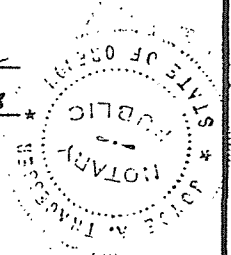
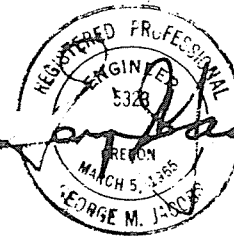
ss.

October 1, 1973

Personally appeared the within named George M. Jacobs and acknowledged the foregoing certificate to be his voluntary act and deed.

BEFORE ME:

James F. Prosser
Notary Public for Oregon
My Commission Expires 10/19/73



CEDARGLEN CONDOMINIUM

SCALE: 1"=10'	APPROVED BY:	DRAWN BY: F.L.B.
DATE: SEPT. 1973	GEORGE M. JACOBS, P.E.	REVISED
TYPICAL FLOOR PLAN "C" UNITS		
JIM WEDDLE & ASSOCIATES 1750 S.W. SKYLINE BLVD. PORTLAND, ORE.		DRAWING NUMBER 2 of 2

BOOK 959 PAGE 645

BOOK 959 PAGE 647

CEDARGLEN CONDOMINIUM

IN THE N.E. 1/4 SECTION 19, T-1S, R-1E, W.M.
MULTNOMAH COUNTY, OREGON
SCALE: 1"=50' WEDDLE & ASSOCIATES, AUGUST 1973
JIM WEDDLE & ASSOCIATES

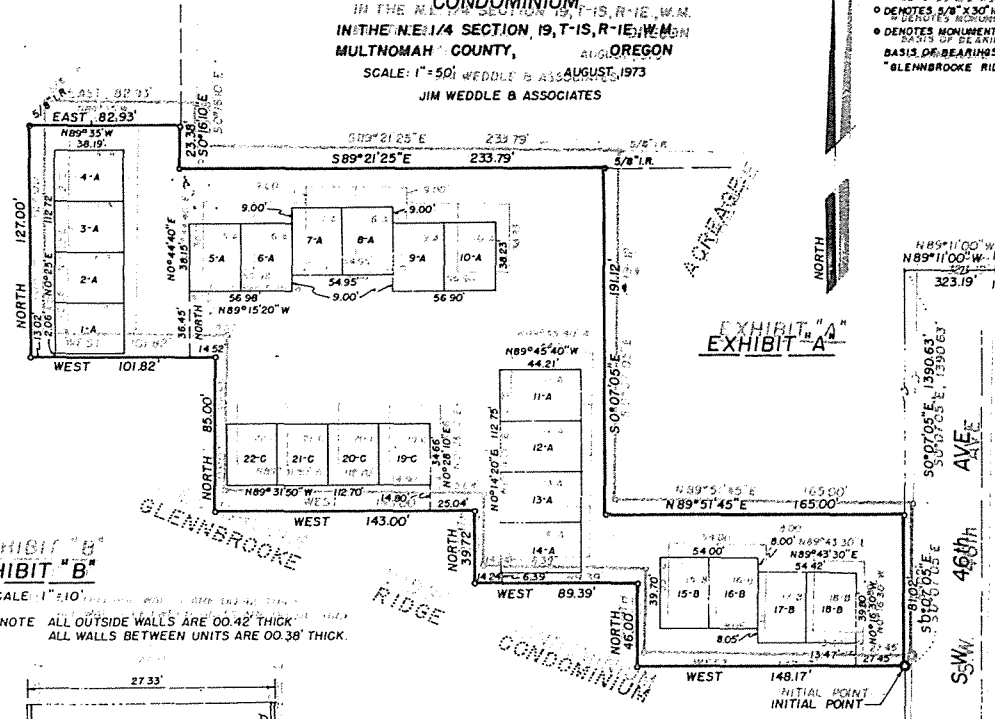
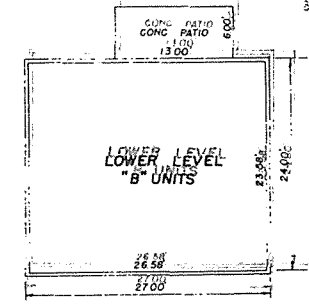
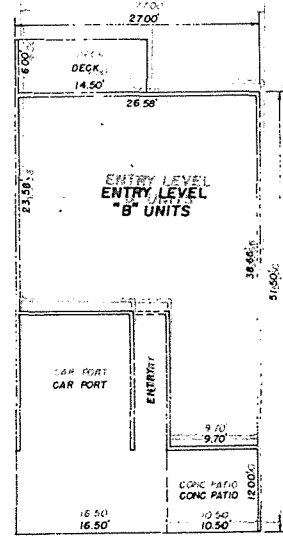
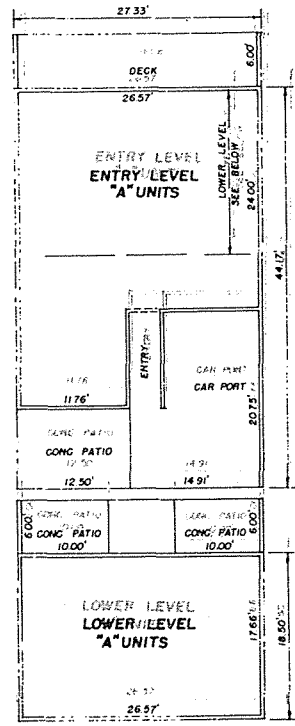


EXHIBIT "B"
SCALE: 1"=10'
NOTE: ALL OUTSIDE WALLS ARE 00.42" THICK.
ALL WALLS BETWEEN UNITS ARE 00.38" THICK.



ALL TAXES, FEES, ASSESSMENTS OR OTHER CHARGES AS PROVIDED BY O.R.S. 92-095 HAVE BEEN PAID AS OF

HERBERT A. PERRY
DIRECTOR, DIV. OF ASSESSMENT & TAXATION
MULTNOMAH COUNTY, OREGON

BY _____ DEPUTY

Exhibit B

DECLARATION
KNOW ALL MEN BY THESE PRESENTS, THAT NORMAN H. FENTON AND LAWRENCE D. KRAUSE, DO HEREBY DECLARE THE ANNEXED MAP TO BE A TRUE AND CORRECT MAP OF THE LAND LAID OUT AS "CEDARGLEN," A CONDOMINIUM, SAID LAND BEING MORE PARTICULARLY DESCRIBED IN THE SURVEYOR'S CERTIFICATE HEREUNTO ANNEXED; AND WE DO HEREBY COMMIT SAID LAND TO THE OPERATION OF THE UNIT OWNERSHIP LAW AS LAID OUT IN CHAPTER 91, OREGON REVISED STATUTES.

Norman H. Fenton
NORMAN H. FENTON
Lawrence D. Krause
LAWRENCE D. KRAUSE

ACKNOWLEDGEMENT
STATE OF OREGON
COUNTY OF MULTNOMAH
BE IT REMEMBERED, THAT ON THIS 14th DAY OF August, 1973, BEFORE ME, A NOTARY PUBLIC, IN AND FOR THE COUNTY OF MULTNOMAH, OREGON, PERSONALLY APPEARED NORMAN H. FENTON AND LAWRENCE D. KRAUSE, TO ME KNOWN TO BE THE PERSONS NAMED IN AND WHO EXECUTED THE FOREGOING INSTRUMENT, AND THEY ACKNOWLEDGE TO ME THAT THEY EXECUTED THE SAME FREELY AND VOLUNTARILY.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND SEAL THE DAY AND YEAR FIRST ABOVE WRITTEN.

Frank S. Beyer
NOTARY PUBLIC IN AND FOR OREGON
MY COMMISSION EXPIRES 24th Feb. 1976

SURVEYOR'S CERTIFICATE
I, JAMES O. WEDDLE, FIRST BEING DULY SWORN, DEPOSE AND SAY THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS THE LAND REPRESENTED IN THE ANNEXED MAP OF "CEDARGLEN," A CONDOMINIUM, AND AT THE INITIAL POINT OF SAID SURVEY, I DROVE A GALVANIZED IRON PIPE, 2 INCHES IN DIAMETER, 36 INCHES IN LENGTH, 6 INCHES BELOW THE SURFACE OF THE GROUND, AT A POINT WHICH IS LOCATED, N 89° 11' 00" W, 323.39 FT. AND S 0° 07' 05" E, 1350.63 FT. FROM THE N.E. CORNER OF SECTION 19, T-1S, R-1E, W.M., THE PROPERTY PLATTED BEING DESCRIBED AS FOLLOWS: BEGINNING AT THE ABOVE DESCRIBED INITIAL POINT, THENCE TRACING THE NORTHERLY BOUNDARY OF "GLENNBROOKE RIDGE," A CONDOMINIUM, RECORDED IN PLAT RECORDS MULTNOMAH COUNTY, OREGON, OVER THE FOLLOWING COURSES AND DISTANCES: WEST, 148.17 FT.; NORTH, 146.00 FT.; WEST, 89.39 FT.; NORTH, 39.72 FT.; WEST, 143.00 FT.; NORTH, 85.00 FT.; WEST, 101.82 FT.; EAST, 82.93 FT. THENCE LEAVING SAID BOUNDARY OF "GLENNBROOKE RIDGE," S 0° 16' 10" E, 233.38 FT.; THENCE S 89° 21' 25" E, 233.79 FT.; THENCE S 0° 07' 05" E, 191.12 FT.; THENCE N 89° 51' 45" E, 165.00 FT. TO A POINT ON THE WEST LINE OF S.W. 46th AVE.; THENCE S 0° 07' 05" E, ALONG SAID WEST LINE OF S.W. 46th AVE. 61.02 FT. TO THE POINT OF BEGINNING. THIS TRACING IS AN EXACT COPY OF THE ORIGINAL PLAT.

SUBSCRIBED AND SWORN TO BEFORE ME THIS 14th DAY OF August, 1973.

Frank S. Beyer
NOTARY PUBLIC IN AND FOR OREGON
MY COMMISSION EXPIRES 24th Feb. 1976

ATTEST:
COUNTY RECORDING OFFICE
MULTNOMAH COUNTY, OREGON

BY _____ DEPUTY

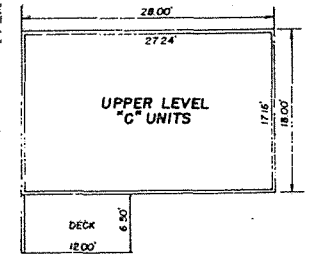
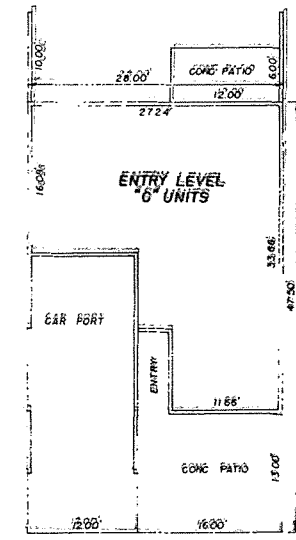


Exhibit B

BYLAWS OF CEDARGLEN
UNIT OWNERS ASSOCIATION

ARTICLE I

Name and Applicability

1.1 Name. This Association shall be known as the CEDARGLEN UNIT OWNERS ASSOCIATION, which is an unincorporated association composed of unit owners of CEDARGLEN, a condominium.

1.2 Definitions. The terms used in these bylaws shall have the meanings defined in ORS 91.505 and the Declaration of Unit Ownership of Cedarglen, a condominium, hereinafter referred to as "Declaration."

1.3 Applicability. Each owner, upon acceptance of the deed to a unit, shall be deemed to have consented to the applicability of the provisions of these bylaws to such owner and to all rules and regulations promulgated by the Association pursuant thereto and to any amendments. These bylaws and all rules and regulations promulgated by the Association shall likewise be applicable to the families of each owner and the tenants, employees, and guests of each owner.

ARTICLE II

Purposes

2.1 This Association is formed pursuant to the provisions of ORS 91.505 to 91.675, the Oregon Unit Ownership Law, to provide a means for administration of the condominiums located on the properties described in the Declaration.

ARTICLE III

Composition and Voting Rights

3.1 Composition. The Association shall be composed of all the owners of units in the condominium known as "Cedarglen."

BOOK 959 PAGE 648

3.2 Voting Rights. As each owner, pursuant to the Declaration, has an equal interest in the general common elements, each unit owner shall have one vote in any matter on which voting rights are provided by the Oregon Unit Ownership Law or these bylaws. The Declarants shall be entitled to one vote with respect to each unsold unit owned by them.

When there is more than one record owner of a unit, all such owners may attend and participate in any meeting; but the vote for each unit shall be exercised as the persons holding such interests shall determine between themselves, provided that in no event shall there be more than one vote cast with respect to each such unit.

ARTICLE IV

Meetings

4.1 Annual Meeting. The annual meeting of the Association shall be held in Portland, Oregon, or at such other place in Multnomah County and at such date and time in the month of July of each year as may be prescribed by the Board of Directors.

4.2 Special Meetings. Special meetings of the Association may be called at any time by the Board of Directors and shall be called by the secretary of the Association upon written request of any five (5) or more owners. All special meetings shall be held in Multnomah County, Oregon.

4.3 Notice. Notice of all meetings of the Association shall be mailed or delivered by or at the direction of the secretary to each owner, postage prepaid, to the address which appears in the records of the Association or is supplied by the owner to the Association for the purpose of receiving notices. Such notice shall be mailed or delivered not less than seven (7) nor more than forty (40) days prior to the date of such meeting.

The notice of the meeting shall specify the place and time of the meeting, and, in the case of a special meeting, the purpose of the meeting. For purpose of this section only, if ownership of a unit is divided among several persons or entities, notices shall be sent to each such person or entity.

4.4 Waiver of Notice. Whenever any notice is required to be given to any owner in accordance with these bylaws, waiver thereof in writing signed by the person or persons entitled to such notice, whether it be before or after the time stated therein, shall be equivalent to the giving of such notice.

4.5 Quorum. The presence at any meeting in person or by proxy of a majority of the owners shall constitute a quorum for any action.

4.6 Proxy. An owner may vote in person or by proxy executed in writing and filed with the secretary prior to commencement of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Such proxy shall be revocable and shall automatically terminate upon termination of an owner's status as such.

4.7 Vote Required. Except for matters on which a greater vote is required by the Oregon Unit Ownership Law, the Declaration or these bylaws, the action of a majority of those present at any duly called meeting of the Association at which a quorum is present shall constitute action of the Association.

4.8 Action by Unanimous Consent. Any action which may be taken by the Association may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the owners entitled to vote with respect to

such matter. Such consent shall have the same force and effect as a unanimous vote and may be so described in any document required to be filed under the Oregon Unit Ownership Law, the Declaration or these bylaws.

ARTICLE V

Board of Directors

5.1 Number. The affairs of this Association shall be managed by a board of three (3) directors. Until the first annual meeting, such directors shall be: LAWRENCE D. KRAUSE, NORMAN H. FENTON and O. J. HENSON.

After the first annual meeting, all directors shall be owners, provided, however, that an owner that is a corporation may designate its officers or agents to serve as directors.

5.2 Term. The directors named in the preceding section shall serve until the first annual meeting. At the first annual meeting owners shall elect two (2) directors for a term of two (2) years and one (1) director for a term of one (1) year. At each annual meeting thereafter, the owners shall elect directors for a term of two (2) years to fill the term of office of the directors whose terms expire at such annual meeting. Directors shall serve until their successors are elected and assume office.

5.3 Vacancies. In the event of the death or resignation of a director, his successor shall be elected by a majority vote of the remaining directors. A director elected to fill a vacancy shall hold office during the remainder of the term of the director succeeded.

5.4 Removal. Any director may be removed from office at any time with or without cause, upon the majority vote of all of the owners taken at a meeting of the Association, provided, however, that the notice of such meeting shall have stated that

BOOK 959 PAGE 651

such removal was to be considered. The successor of such director shall be elected at the same meeting for the then unexpired term of the director so removed.

5.5 Compensation. No director shall receive compensation for any services he may render to the Association as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties as a director and may receive compensation for services to the Association in other capacities than as a director.

5.6 Manner of Election. In any case where the number of nominations for the Board of Directors exceeds the number of vacancies, election shall be by secret written ballot. At each election the owners or their proxies may cast in respect to each vacancy as many votes as they are entitled to cast by the provisions of these bylaws. Persons receiving the largest number of votes shall be elected.

ARTICLE VI

Meetings of the Board of Directors

6.1 Regular Meetings. Within ten (10) days after each annual meeting of the Association, the directors elected at such meeting and those holding over shall hold an organization meeting for the purpose of electing officers as hereinafter provided and for transaction of such other business as may come before the meeting. If all directors are present at the time and place of such meeting, no prior notice of such meeting shall be required to be given to the directors.

The Board of Directors by resolution may establish the date, time and place for other regular meetings of the Board.

6.2 Special Meetings. Special meetings may be called by the chairman and must be called by the chairman at the request of at least two (2) directors. Such special meeting may be held

at such time and place as the Board of Directors or the chairman shall determine and any business may be transacted at such meeting.

6.3 Notice. No notice need be given of regular meetings held pursuant to resolution of the Board of Directors as hereinabove specified. Notice of special meetings shall be given at least three (3) days prior to the date of such meeting either personally, by mail, telephone or telegraph. Attendance at a meeting shall constitute a waiver of notice thereof.

6.4 Quorum. A majority of the directors shall constitute a quorum but no action of the Board of Directors shall be valid unless it is approved by an affirmative vote of at least two (2) directors.

6.5 Action Without a Meeting. Directors may take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors to such action. Any action so taken shall have the same effect as though taken at a meeting of the directors.

ARTICLE VII

Powers and Duties of the Board of Directors

7.1 General Powers. The Board of Directors shall have power to:

7.1.1 Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the owners by other provisions of these bylaws or the Declaration.

7.1.2 Adopt, amend, revoke, publish and cause to be enforced rules and regulations not inconsistent with the Declaration governing the use of the common elements, and the personal conduct of owners, their families, tenants and guests thereon, and to establish penalties and fines for the infraction

thereof. Such rules and regulations shall become effective when due notice thereof is given by mail to each owner at his address as indicated in the records of the Association.

7.2 Duties of the Board of Directors. It shall be the duty of the Board of Directors to:

7.2.1 Cause the common elements to be maintained, repaired and replaced as necessary, and in case of casualty and, subject to the limitations in the Declaration, to reconstruct and reestablish the properties.

7.2.2 As more fully set forth in Article V of the Declaration, to fix the amount of the annual assessment for each owner's proportionate share of the difference between common expenses and common income and to give the owner subject thereto written notice of such assessment at least thirty (30) days prior to the due date thereof; to cause to be prepared a roster of units subject to assessment with assessments applicable to each such unit and to keep such roster in the Association office subject to inspection by any owner.

7.2.3 To cause to be obtained and maintained in full force and effect policies of casualty and liability insurance meeting the specifications therefor set forth in Article XIV of the Declaration.

7.2.4 To employ, replace and fix the terms of compensation of a manager. The manager may be an individual or a corporation. The manager shall have such authority to act on behalf of the Board of Directors and the Association as may be delegated to him or it from time to time by the Board of Directors.

7.2.5 To cause to be employed such personnel as may be necessary for the maintenance, upkeep and repair of the common elements.

7.2.6 To cause to be kept a complete record of all of its acts and the proceedings of its meetings, and to cause to be presented at the annual meeting of the Association a report reviewing the business and affairs of the Association for the year.

7.2.7 To cause all officers or employees having fiscal responsibilities to be bonded with sufficient surety for the faithful performance of their official duties, the premium on such bond to be paid by the Association as a part of the common expenses.

7.2.8 To obtain legal and accounting services necessary or proper in the operation of the properties or the enforcement of the Declaration or these bylaws.

7.3 Approval of Payment Vouchers. The treasurer shall pay or cause to be paid all vouchers signed by the manager for expenditures of up to \$1,000. Vouchers for any expenditures in excess of \$1,000.00 shall require the signature of the chairman and the manager.

7.4 Authority with Respect to Capital Improvements. The Board of Directors shall not have authority to make expenditures in excess of \$1,000.00 for capital additions to or capital improvements of the common elements without the prior approval of the Association by a vote of a majority of all of the owners.

ARTICLE VIII

Officers

8.1 Officers. The officers of this Association shall be a chairman, who shall be a member of the Board of Directors, and a secretary and a treasurer, who may, but need not, be members of the Board of Directors. The Board of Directors may appoint an assistant secretary or an assistant treasurer by resolution entered in its minutes. The offices of secretary and treasurer may be held

by the same person. Officers shall be elected at the organization meeting of the Board of Directors each year, and the term of office shall be for a term of one (1) year and until their successors are elected and assume office unless such officer resigns or is removed.

8.2 Removal, Resignation and Vacancies. Any officer may be removed from office with or without cause by the Board of Directors. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.3 Chairman. The chairman shall preside at all meetings of the Association and of the Board of Directors. He shall sign for the Association such contracts and other documents as he may be authorized by the Board of Directors to sign and as prescribed by these bylaws, and shall perform all acts and duties usually performed by a presiding officer or as prescribed by the Board of Directors.

In the absence of or disability of the chairman, the member of the Board of Directors senior in service shall preside and perform the duties of the chairman.

8.4 Secretary. The secretary shall keep or cause to be kept a complete record of all meetings of the Association and of the Board of Directors; serve notice of the meetings of the Board of Directors and of the owners; keep appropriate current records showing the names and addresses of the owners, perform such duties as he is required to perform in connection with assessments; and perform such other duties as may be required by the Board. The assistant secretary may be authorized by the Board of Directors to perform the duties of the secretary.

BOOK 959 PAGE 656

8.5 Treasurer. The treasurer shall pay or cause to be paid vouchers in accordance with the terms of these bylaws; shall keep such records, make such reports and perform such other duties as may be required from time to time by the Board of Directors.

8.6 Delegation and Change of Duties. In the event of absence or disability of any officer, the Board of Directors may delegate, during such absence or disability, the powers or duties of such officer to any other officer or any director.

ARTICLE IX

Collection of Share of Common Expenses

9.1 Basis and Determination. Each owner's share of the excess of common expenses over common income shall be collected as an assessment on the basis and in the manner set forth in Article V of the Declaration. The Board of Directors may fix an annual assessment in any amount less than the maximum set forth in the Declaration. The maximum annual assessment established in the Declaration may be changed as provided in the Declaration by vote of the owners. Special assessments for capital improvements may likewise be established by vote of the owners as set forth in the Declaration.

9.2 Certificates with Respect to Assessment. The secretary shall cause to be furnished to an owner liable for an assessment upon demand of such owner a letter setting forth whether the assessments on property of such owner have been paid.

9.3 Lien as Reasonable Value. Each owner agrees that in the event an unpaid assessment or fine becomes a lien upon his condominium in accordance with the provisions of the Declaration and ORS 91.580, the amount of such lien shall conclusively

be deemed to be the reasonable value of such common expenses and fine as are represented by such lien.

9.4 Provisions in the Event of Foreclosure of Lien.

In any foreclosure suit against a unit, the owner shall be required to pay a reasonable rental for the unit, and the Association shall be entitled to the appointment of a receiver to collect such rental. The manager acting on behalf of the Association shall have power to bid on the unit at the foreclosure sale and to acquire and hold, lease, mortgage and convey such unit. Any rental received shall be applied first to the costs of renting such units and secondly to the amount of such unpaid assessments and fines thereon.

ARTICLE X

Books, Records, Audit

10.1 Inspection by Members. The books and records of the Association shall at all times during reasonable business hours be subject to inspection by any owner at the office of the Association.

10.2 Audit. An audit shall be made at any time upon order of the Board of Directors or upon a majority vote of the owners present at a regular or special meeting of the Association.

10.3 Execution of Documents. When the execution of any instrument has been authorized by the Board of Directors without specifying the executing officer, such instrument may be executed by any two (2) of the following officers: chairman, secretary, treasurer and assistant secretary. The Board of Directors may, however, authorize any one of such officers to sign any such instruments for and on behalf of the Association and may designate officials or employees of the Association other than those named above who may sign such instrument.

ARTICLE XI

Mortgagees

11.1 Notice to Association. Any unit owner who mortgages his interest in a unit shall notify the Association, through the managing agent, of the name and address of his mortgagee and the secretary shall maintain such information in the record of ownership of the Association.

11.2 Notice of Unpaid Assessments. The managing agent or Board of Directors, at the request of any mortgagee or prospective purchaser of any unit or interest therein, shall report to such person the amount of any unpaid assessments due from the owner of such unit.

ARTICLE XII

Amendments

12.1 These bylaws may be amended at any annual or special meeting of the Association provided that notice of the amendment shall be included in the notice of the meeting. No such amendment shall be effective unless and until approved by the vote of not less than 75 percent of the owners and until a copy of the bylaws as so amended, certified by the chairman and secretary of the Association, is recorded with the Recording Officer of Multnomah County, Oregon.

Any matters stated in these bylaws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration.

ARTICLE XIII

Existing Officers

13.1 The following persons are hereby declared to be the officers of the Association until their successors are elected and assume office:

BOOK 959 PAGE 659

Chairman
Secretary
Treasurer

Lawrence D. Krause
Norman H. Fenton
O. J. Benson

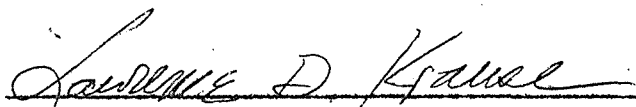
ARTICLE XIV

Miscellaneous

14.1 In the event any of the provisions of the Declaration and the bylaws conflict with the State of Oregon Unit Ownership Law, the State of Oregon Unit Ownership Law shall prevail, and, to the extent of the conflict, the conflicting provisions shall have no force or effect.

The undersigned hereby certify that they are the duly qualified acting chairman and secretary of CEDARGLEN UNIT OWNERS ASSOCIATION and that these bylaws are the duly adopted bylaws of such Association.

DATED:



Chairman



Secretary

BOOK 959 PAGE 660

AMENDMENT OF DECLARATION OF UNIT OWNERSHIP
OF CEDARGLEN, a Condominium

THIS AMENDMENT, made this 13th day of December, 1973,
GLENNBROOKE MANOR, a co-partnership consisting of
by and between, Lawrence D. Krause and Norman H. Fenton,
partners, hereinafter called "Declarants":

WITNESSETH:

WHEREAS, on the 16th day of November, 1973,
Declarants recorded in the Deed Records of Multnomah County,
Oregon, in Book 959, pages 615 through 660, Declaration of
Unit Ownership of Cedarglen, a Condominium; and

WHEREAS, pursuant to Article XVIII, Section 18.2
of said Declaration of Unit Ownership of Cedarglen, a Condominium,
Declarants desire to amend the Declaration of Unit Ownership of
Cedarglen, a Condominium;

NOW, THEREFORE, Declarants pursuant to the provisions
of Article XVIII, Section 18.2 of the Declaration of Unit Owner-
ship of Cedarglen, a Condominium, hereby amend said Declaration
of Unit Ownership of Cedarglen, a Condominium, as follows:

1. Article VIII, Section 8.3 of the Declaration of Unit
Ownership of Cedarglen, a Condominium, shall be deleted in its
entirety and the following shall be substituted therefor:

Article VIII.

8.3 Basis of Annual Assessment. Unless changed
by the membership as hereinafter provided, the
maximum annual assessment for any unit shall be
\$60.00 per month, provided that the maximum annual
assessment shall be increased or decreased by
1/22nd of each annual increase or decrease in the
rental under the Ground Lease entered into June 30,
1970, by Glennbrooke, Inc., as Lessor, and
Glennbrooke Manor, a partnership consisting of
Lawrence D. Krause and Norman H. Fenton, as Lessee.
The Board of Directors may, after consideration of
current maintenance costs, income of the Associa-
tion, and its financial requirements, fix the actual

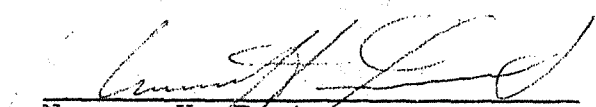
annual assessment at an amount less than the maximum. Upon vote of the membership as hereinafter provided, the Association may change the maximum annual assessment fixed by this section prospectively.

2. Except as amended herein, the Declaration of Unit Ownership of Cedarglen, a Condominium, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the day and year first hereinabove set forth.

GLENNBROOKE MANOR, a partnership

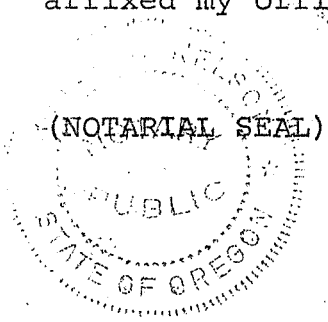

Lawrence D. Krause

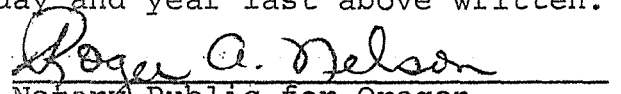

Norman H. Fenton

STATE OF OREGON)
 : ss
County of Multnomah)

On this 13th day of December, 1973, before me, the undersigned, a Notary Public in and for said County and State, personally appeared LAWRENCE D. KRAUSE and NORMAN H. FENTON, partners, and who are known to be the identical individuals who executed the within instrument and stated that this Amendment of Declaration of Unit Ownership of Cedarglen, a Condominium, was voluntarily signed by them as the partners of Cedarglen, a Condominium.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.




Notary Public for Oregon
My commission expires: 2-13-76

GROUND LEASE

THIS LEASE made and entered into as of the 30th day of June, 1970, by and between GLENNBROOKE, INC., a corporation, hereinafter called "Lessor," and GLENNBROOKE MANOR, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, hereinafter called the "Lessee,"

W I T N E S S E T H:

In consideration of the covenants, agreements and stipulations herein contained on the part of the Lessee to be paid, kept and faithfully performed, the Lessor does hereby lease, demise and let unto the said Lessee:

Those certain premises situated in the City of Portland, County of Multnomah, State of Oregon, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof, together with the right of access over any property owned by Lessor to utilities provided by or on behalf of the Lessor and its assignee; and the right of access to any portion of the leased premises over any road, alley or walkway established by Lessor and its assignee.

ALSO, not less than 500 square feet of office space in any recreation building constructed by or for the use of Lessor or its assignee,

ALSO, 50%, but not in excess of 10, of the parking spaces for boats and recreational vehicles established by or for the use of Lessor or its assignee.

TO HAVE AND TO HOLD the above described premises unto the Lessee for a period of time commencing from the 30th day of June, 1970, and ending at midnight the 30th day of June, 2079.

1. Rental. As rental for the said premises the Lessee agrees to pay to the Lessor the sum of \$500 per month during the term hereof, adjusted, however, in accordance with the provisions of paragraph 2 hereof. The first such payment shall be made coincident with the signing of this lease. The next rental payment shall be due on the 15th day of the sixth month following completion of the apartment building to be constructed by Lessee on the leased premises. Completion of such apartment buildings shall be evidenced by the filing of notice of completion required to be filed pursuant to the lien laws of the State of Oregon, and a copy of such notice of completion shall be furnished to Lessor. Like payment of rental as adjusted pursuant to the provisions of paragraph 2 hereof shall be paid to Lessor on the 15th day of each month hereafter during the term of this lease.

2. Adjustment of Rental. The basic monthly rental of \$500 shall be increased or decreased every three years on the anniversary date of the lease by the percentage of \$500 equal to the percentage increase or decrease in the Consumer Price Index of Portland, Oregon, for all items of the Bureau of Labor Statistics of the United States Department of Labor as of the month end preceding such readjustment date as compared with such index for the month ending June 30, 1970. Such adjustment in rental shall determine the amount of rental payable hereunder for the next rental payment following the three year adjustment date mentioned herein and for the next succeeding thirty-five monthly rental payments due thereafter.

If at the time required for determination of the adjusted rent, such consumer price index is no longer published or issued, the parties shall use such other indexes as are then generally recognized and accepted for similar determinations of purchasing power. If the parties are unable to agree on the selection of an index which would most accurately carry out the intent hereof, or if there is a dispute with respect to the computation

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of the adjusted rent as herein provided, then the issue with respect thereto shall be determined by arbitrators, one of which shall be appointed by the Lessor, one of which shall be appointed by the Lessee, and the third to be appointed by the first two arbitrators. The decision of such arbitrators shall be binding on the parties.

3. Lessor's Title. As long as Lessee complies with all the covenants and provisions of this lease herein contained, Lessor warrants to the Lessee the peaceful possession and enjoyment of the leased premises against disturbances of any persons whatsoever as to title or possession.

4. Improvements. As a material consideration for this lease, Lessee agrees that within four months after the commencement of the term hereof, Lessee will commence construction of permanent improvements on the leased premises consisting of 22 ~~apartment living~~ ^{apartment townhouse} units, and will use all reasonable diligence to complete the construction of such improvements. NHE
R.A.N.
202

All buildings and improvements, excluding removable personal property and trade fixtures, shall remain on the leased premises after the termination of this lease and shall become the property of the Lessor.

Title to all improvements constructed on the leased premises during the term of this lease shall be and remain vested in the Lessee, its successors and assigns throughout the term of this lease.

5. Use and Occupancy. The leased premises shall not be used for any unlawful purpose during the term of this lease. Lessee will comply with all federal, state and municipal laws, regulations and zoning ordinances, and shall obtain all permits and licenses in connection with the use and occupancy of the leased premises. In the event the owner is required to execute any such applications for permits or other agreements, in order that Lessee may have the full and complete use, benefit and enjoyment of the property and adjoining sidewalks and streets, Lessor will, upon request of Lessee, execute and deliver any such application for such permit or agreement.

6. Utility Agreements. Lessee shall have the right to enter into agreements with any public utility company or any state or municipality, public subdivision or political subdivision or agency thereof, to provide utility services reasonably necessary for the full enjoyment of the leased premises and the improvement thereof. If requested by Lessee, Lessor will join in the execution of such documents as may be necessary to establish easements and rights-of-way for utility lines reasonably necessary for the proper development of the leased premises.

7. Liens, Taxes and Assessments. Lessee shall not be permitted to be enforced against the leased premises or any part thereof, any liens arising from any work performed, materials furnished or obligations incurred by the Lessee or anyone holding under the Lessee. If any lien is filed, the Lessee shall have the right to contest the validity thereof, and Lessor at Lessee's request shall permit itself to be named as a party, but the entire expense of the proceedings shall be borne by the Lessee. Lessee hereby agrees to indemnify and hold the Lessor harmless and to reimburse Lessor from all costs and expenses incurred as the result of any such proceedings for a lien being filed.

The Lessee shall pay before delinquent all ad valorem taxes and assessments on the premises imposed by any state, county or local governmental unit which become payable during the term of this lease. With respect to local improvement district assessments, Lessee shall have the right to pay the same in installments.

Lessee shall have the right to contest the validity or amount of any tax or assessment, and shall bear the expense of any proceeding for this purpose, and Lessor shall at Lessee's request permit itself to be named as a party.

8. Unmentioned and Future Charges. The rent herein provided is in the nature of a net rent to the Lessor. Therefore, any expense or charge in connection with the ownership of the leased premises or with this lease, or with the use and occupancy of the premises, shall be paid by the Lessee. If in the future any law, ordinance or regulation is passed (except for income taxes) resulting in a charge to the Lessor which it must pay as a result of this lease or the ownership of the premises, Lessor shall forthwith upon presentation of receipts be reimbursed therefor by the Lessee.

9. Maintenance and Repairs. Except in the event of destruction of the premises as hereinafter provided, Lessee shall keep and maintain all improvements hereinafter constructed by it upon the leased premises in good condition of maintenance and repair throughout, and in particular shall maintain the exterior of such premises in a condition comparable to the condition of the exterior of the Townhouse development to be constructed immediately to the south of the leased premises. Lessee shall keep and maintain all sidewalks, alleys and approaches in the leased premises reasonably free of ice, snow and other obstructions.

10. Assignment and Subletting. Lessee shall have the full and complete right, without the consent of the Lessor, to assign the whole or any part of this lease or to sublet the whole or any part of the leased premises. Regardless of any such assignment or subletting, Lessee will remain liable for the full and faithful performance of all of the terms, covenants and conditions of this lease unless otherwise agreed in any document of assignment.

Any assignee or sublessee may pay rent or perform any obligation or covenant of the Lessee and the Lessor agrees to accept the same from such assignee or sublessee as if performance thereof were being made by Lessee.

11. Mortgage. Lessor agrees that the leased premises may be encumbered by mortgage made for the purpose of borrowing for the construction of improvements on the leased premises. Such encumbrances shall be and remain at all times a lien or charge on the leased premises prior and superior to the Lessor's interest therein. Lessor agrees to execute any mortgage or other necessary documents required either by the lender or the Lessee to effectuate the subordination of the Lessor's interest in the leased premises. Nothing herein shall impose any liability on the Lessor for the payment of the debt secured by such mortgage.

Upon default by the Lessee of any of the obligations imposed by the terms of such encumbrance, the mortgagee may exercise any rights provided in such mortgage, provided that before the sale of the mortgaged property, on foreclosure, the mortgagee shall give to the Lessor actual notice of the same character and duration as is required to be given to the Lessee. Any sums so paid by the Lessor, and all expenses incurred by it, shall immediately become due and payable by the Lessee to the Lessor, and the failure of the Lessor to promptly pay the same when due shall constitute a default under the provisions of Paragraph 16.

12. Fire Insurance, Repairs. At all times during the term of this lease, the Lessee will keep or cause to be kept at its expense, all improvements on the leased premises insured against risks covered by the uniform standard form of fire insurance policy with extended coverage endorsement. The proceeds of such insurance policy shall be paid to the Lessee, subject to the rights of the mortgagee, to be used for the purpose of repairing or reconstructing the improvements on the leased premises. If at any time after the commencement of the term of this lease any of the improvements on the leased premises shall be damaged or destroyed by

Insured by
The National
Fire Insurance Company

any of the perils covered by the insurance policy previously described, this lease shall continue in full force and effect, and the Lessee shall promptly, and at its sole expense, repair and restore, or reconstruct the improvements on the leased premises. If the improvements shall be damaged or destroyed to such an extent that the construction of an entirely new building or buildings shall be required or advisable, the Lessee shall have the right to erect, with reasonable diligence, such new building or buildings in a good and workmanlike manner at its sole cost and expense. If, however, the insurance proceeds are insufficient to cover the actual cost, restoration or rebuilding of such premises, the Lessee shall not be obligated to rebuild or restore such premises. In such event, however, Lessee shall use the proceeds for such purpose as Lessee and Lessor shall mutually agree to be sufficient to maintain the value of the Townhouse development to be constructed immediately south of the leased premises, and any proceeds not so used for such purposes shall be paid to Lessee without any claim of Lessor therefor. The provisions of the preceding sentence shall likewise be applicable in the event that damage or destruction of the improvements on the leased premises during the last ten years of the term hereof exceed 33-1/3% of the total insurable value of all insurable improvements upon the leased premises at such time. The obligations of the lease, however, shall remain unaffected by Lessee's option not to rebuild, and the lease shall continue thereafter to the remainder of its term.

13. Indemnity - Liability Insurance. Lessee agrees to indemnify and hold the Lessor harmless from the Lessee's failure to perform any of the covenants and conditions of this lease to be kept and performed by it, and from any claims, actions, causes of action, judgments, liabilities, expenses, costs and reasonable attorney's fees arising out of any act,

omission or neglect of the Lessee, or any of its agents, employees or subtenants, in connection with the use and occupancy of the leased premises, or the sidewalks or alleys adjacent thereto, or approaches thereto, and from damages of any and every kind growing out of or in any way connected with the ownership, construction upon, and use and occupancy of such premises.

Lessee shall at its own cost and expense procure and keep in force throughout the term of this lease public liability insurance in the amount of ~~\$200,000~~ ^{\$1,000,000} for injury to any one person, and ~~\$500,000~~ ^{\$300,000} in the aggregate for injuries to more than one person arising from any one accident, and the amount of \$100,000 for property damage. All such policies shall name the Lessor as an insured, and shall provide that such policy may not be cancelled except upon ten days notice given in writing to Lessor.

NHF
R.g.n.
JMK

14. Eminent Domain. In case of the condemnation or appropriation of all or any substantial part of the leased premises by any public or private corporation under the laws of eminent domain, this lease may be terminated at the option of either party hereto on 20 days written notice to the other, and in that event the Lessee shall not be liable for any rent after the date of Lessee's removal from the premises. Payment of any award or compensation arising from such condemnation shall be divided as may be agreed upon between the parties or as determined by the judgment of a court of competent jurisdiction. To the extent that any damages payable to the Lessee are not actually used by it to make alterations, modifications or reconstruction to the premises reasonably required as a result of the condemnation, such damages shall be used to restore the premises to such condition as will, in the opinion of both parties, protect the townhouses to be constructed immediately to the south of the leased premises against diminution in value by reason of such condemnation.

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Pioneer National
Title Insurance Company

In the event less than a substantial portion of the leased premises are taken by condemnation, the rent thereafter payable during the term of this lease shall be reduced in the proportion that the rental value of the entire premises is reduced by such taking or condemnation.

15. Restrictions on the Use of the Premises. Property on which the townhouse development immediately to the south of the leased premises will be built is subject to the restrictions on use provided in paragraph VIII of a Declaration of Covenants and Restrictions applicable to such property. Restrictions on such use so provided shall be applicable to the leased premises and the occupancy thereof to the same extent as applicable to such townhouses.

16. Default. In the event the Lessee shall default in the payment of rent or shall fail or refuse to comply with any of the other terms and covenants herein on the part of the Lessee to be kept and performed, and such default, failure or refusal shall continue for more than 30 days after demand for performance thereof by written notice given by Lessor to Lessee, Lessor shall have the right to terminate this lease and to re-enter the leased premises or any part thereof with or without process of law; or, Lessor at its option without terminating this lease may re-enter the leased premises and sublet the whole or any part thereof for the account of the Lessee upon such terms and conditions as Lessor may deem proper. Lessor shall not be deemed to have terminated this lease by retaking possession of the premises unless written notice of such termination has been given to the Lessee.

17. Notices. All notices given by either party to the other hereunder shall be forwarded to the following addresses:

To the Lessor at: 4825 S.W. CALDEW
PORTLAND, OREGON 97219

To the Lessee at: 4825 S.W. CALDEW
PORTLAND, OREGON
97219

or at such other addresses as the parties may from time to time direct by notice given to the other party. Any notice given by any party to any other party hereunder shall be deemed to have been given at the time such notice is deposited in the United States mail, certified, with postage prepaid, addressed to the party to whom such notice is given at the address above set forth or at such other address as such party may have specified by notice to the other party.

18. Attorneys' Fees. In the event of an action between the parties hereto to enforce any of the terms or provisions hereof, the successful party shall be entitled to recover from the unsuccessful party, in addition to the costs and disbursements allowed by law, a reasonable sum as attorneys' fees to be determined by the Court and included as a part of the judgment.

19. Time and Waiver. Time is and shall be of the essence of this lease and of each and every term, covenant and condition thereof. Any failure of the Lessor or the Lessee to enforce rights or seek remedies upon any default of the other party with respect to the obligation of each or any of them, and any waiver by either of the parties hereto of any breach of any term, covenant or condition hereof, shall not be considered to be a waiver of any subsequent breach of the same or any other term, covenant or condition.

20. Lease Binding. Except as otherwise limited herein, the respective rights and obligations hereunder shall inure to and be binding upon the parties hereto and their successors and assigns in interest.

21. Lessee's Acceptance of Lease. Lessee accepts this lease and agrees to pay to the order of Lessor the rental specified herein for the full term of this lease, and at the times and in the manner aforesaid.

22. Waiver of Subrogation. Neither the Lessor nor the Lessee

shall be liable to the other for loss arising out of damage to or destruction of the leased premises, or the buildings or improvements placed thereon or the contents of such buildings or improvements when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage. All such claims for any and all loss, however caused, hereby are waived. Such absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Lessor or Lessee or by any of their respective agents or employees. It is the intention and agreement of the parties that each shall look to its respective insurance carrier to reimburse it for any such loss, and further, that any insurance carriers involved shall not be entitled to subrogation under any circumstances against any party to this lease.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

GLENNBROOKE INC.

By:

President

By:

Secretary

GLENNBROOKE MANOR

Lawrence D. Krause

Norman H. Fenton

Recorded by
71 Pioneer National
Title Insurance Company

State of Oregon)
) ss.
 County of Multnomah)

April 8th, 1971

Personally appeared NORMAN H. FENTON and ROGER A. NELSON, who being duly sworn did say that he, NORMAN H. FENTON is the president, and he, ROGER A. NELSON, is the secretary, of GLENNBROOKE, INC. and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and they acknowledged said instrument to be their voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Marlene A. Belkin
 NOTARY PUBLIC for Oregon
 My Commission Expires: 1/28/73

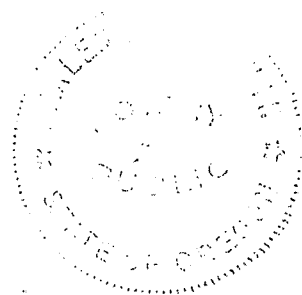
State of Oregon)
) ss.
 County of Multnomah)

April 8th, 1971

Personally appeared LAWRENCE D. KRAUSE and NORMAN H. FENTON, the partners of GLENNBROOKE MANOR, who being duly sworn did say that they are the partners of GLENNBROOKE MANOR, and that the said instrument was signed in behalf of said partnership by them; and they acknowledged said instrument to be their voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Marlene A. Belkin
 NOTARY PUBLIC for Oregon
 My Commission Expires: 1/28/73



Approved by
 The Insurance Company

A Parcel containing Buildings 6, 7, 8, 9 and 10.

A parcel of land located in the East 1/2 of the NE 1/4 of Section 19, Township 1 South, Range 1 East of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Beginning at the northeast corner of said section; thence North 89° 11' 00" West 940.06 feet to a point on the East line extended north of Long Meadows, a recorded plat of Multnomah County; thence South 0° 06' 00" East along said East line and extension 1639.88 feet to the Southwest corner of property conveyed to Glennbrooke, Inc. by deed recorded July 30 1970 in Book 744, page 1675, Deed Records; thence North 89° 51' 45" East along the South line of said Glennbrooke, Inc. property 609.91 feet to the Southeast corner thereof; thence North 0° 07' 05" West along the East line of S. W. 46th Avenue 239.00 feet to the true point of beginning of the parcel to be herein described; thence West 149.17 feet; thence North 46.00 feet; thence West 89.39 feet; thence North 39.72 feet; thence West 143.00 feet; thence North 85.0 feet; thence West 101.82 feet; thence North 127.00 feet; thence East 84.00 feet to a point on the most westerly east line of said Glennbrooke, Inc. tract of land; thence South 0° 16' 10" East along said line 23.34 feet to the Southwest corner of that tract of land conveyed to the Archdiocese of Portland by deed recorded July 16, 1953 in Book 1611, page 434, Deed Records; thence South 89° 21' 25" East from said corner 233.79 feet to a Northerly corner of said Glennbrooke, Inc. property; thence South 0° 07' 05" East from said Northerly corner 191.12 feet to a re-entrant corner of said Glennbrooke, Inc. property; thence North 89° 51' 45" East from said corner 165.00 feet to the most easterly Northeast corner of said Glennbrooke, Inc. property; thence South 0° 07' 05" East along the East line of said S. W. 46th Avenue 81.00 feet to the true point of beginning.

Recorded by
The Insurance Company

ASSIGNMENT OF LEASE

KNOW ALL MEN BY THESE PRESENTS, that GLENNBROOKE, INC., a corporation, being the Lessor in that certain ground lease dated June 30th, 1970, a copy of which is attached hereto, hereby assigns its interest in such lease as Lessor, together with its rights to all rentals to accrue thereunder, to LAWRENCE D. KRAUSE, NORMAN H. FENTON and FRANK PONIATOWSKI, in their capacity as the board of directors of GLENNBROOKE RIDGE PROPERTY OWNERS ASSOCIATION, an unincorporated association, and to their successors in interest as directors of such unincorporated association.

It is understood by the parties that notwithstanding the fact that the assignees are representatives of an unincorporated association, that rental checks and notices may be made payable to and addressed to, as the case may be, Glennbrooke Ridge Property Owners Association.

IN WITNESS WHEREOF, the assignor has executed this agreement by its duly authorized officers this 21st day of March, 1971.

GLENNBROOKE, INC., a corporation

By

President

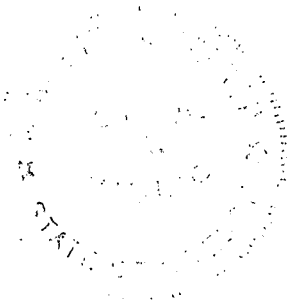
ATTEST:

Roger A. Nelson
Secretary

STATE OF OREGON)
 : ss.
 County of *Multnomah*

I, *Marlene A. Deekin*, a Notary Public for Oregon,
 hereby certify that on the *31st* day of March, 1971, personally
 appeared before me *Norman A. Jenton*, being by me first
 duly sworn, declared that he is the President of Glennbrooke,
 Inc., and that he signed the foregoing assignment of lease
 as president of the corporation, and that the statements con-
 tained therein are true.

Marlene A. Deekin
 Notary Public for Oregon
 My Commission expires: *1/28/73*



Recorded #7
 Pioneer National
 Title Insurance Company

AMENDMENT TO GROUND LEASE

BOOK 959 PAGE 610

THIS AMENDMENT TO GROUND LEASE made and entered into this 13 day of November, 1973, by and between Glennbrooke Ridge Property Owners Association, hereinafter referred to as "Lessor" and Glennbrooke Manor, a partnership consisting of Lawrence D. Krause and Norman H. Fenton, hereinafter referred to as "Lessee";

WITNESSETH:

WHEREAS, Glennbrooke, Inc., an Oregon corporation, and Glennbrooke Manor, entered into a Ground Lease as of the 30th day of June, 1970; and

WHEREAS, Glennbrooke, Inc., assigned its interest in the Ground Lease to Lawrence D. Krause, Norman H. Fenton and Frank Poniatowski, in their capacity as the Board of Directors of Glennbrooke Ridge Property Owners Association, dated March 31, 1971; and

WHEREAS, the parties hereto desire to amend the Ground Lease;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. The Ground Lease entered into as of the 30th day of June, 1970, by and between Glennbrooke, Inc. as Lessor, and Glennbrooke Manor, as Lessee, and recorded in the Deed Records of Multnomah County, Oregon, in Book 781, page 437, is hereby amended as follows:

A. By adding to the Ground Lease the following

clauses:

"Lessor hereby waives the right to foreclose the lease and the right to re-take the leased premises as to any unit owner of Cedarglen, Condominium who is current on the payment of said unit owners pro-rate share of the total Ground Lease Rental".

"Any notices which are required to be given by Lessor to Lessee, shall also be required to be given by Lessor to all mortgagees of the leased premises who have filed with Lessor a written request that they be so notified."

"Lessor agrees that Lessee or its assignee can place individual mortgages on each unit in Cedarglen, Condominium."

B. By deleting the last paragraph of item 13 in its entirety and substituting therefor the following:

"Lessee shall at its own cost and expense procure and keep in force throughout the term of this lease public liability insurance in the amount of \$500,000 for injury to any one person, and \$1,000,000 in the aggregate for injuries to more than one person arising from any one accident, and the amount of \$100,000 for property damage. All such policies shall name the Lessor as an insured, and shall provide that such policy may not be cancelled except upon ten days notice given in writing to Lessor".

C. By adding to paragraph two of the property description of the Ground Lease the following:

"provided, that the right to use the office space in the recreation building shall terminate on November 1, 1976, and provided further that Lessee or its assignee shall have the right during the entire term of the Ground Lease to use the storage space in the recreation building which Lessee is using as of November 1, 1973."

D. By deleting the second sentence of item 12 in its entirety and substituting therefor the following:

"The proceeds of such insurance policy shall be paid to the Lessee, subject to the rights of any mortgagees on the leased premises to be used for the purposes of repairing or

reconstructing the improvements on the leased premises."

E. By deleting the last sentence of the first paragraph of item 14 in its entirety and substituting therefor the following:

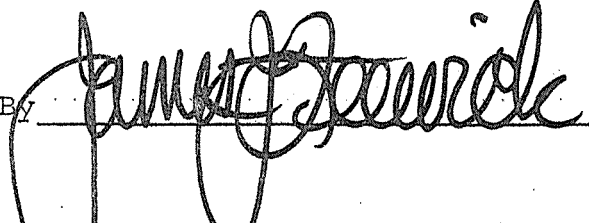
"To the extent that any damages payable to the Lessee are not actually used by it to make alterations, modifications or reconstruction to the premises reasonably required as a result of the condemnation, such damages shall be used to restore the premises to such condition as will, in the opinion of both parties, protect the townhouses to be constructed immediately to the south of the leased premises against diminution in value by reason of such condemnation; subject, however, to the rights of any mortgagees on the leased premises."

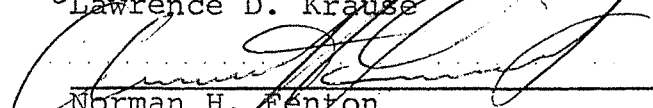
2. It is understood and agreed that this Amendment shall become effective only upon the filing of the Plat for Cedarglen Condominium.

3. Except as amended herein, the Ground Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Glennbrooke Manor has executed this Amendment to Ground Lease and Glennbrooke Ridge Property Owners Association has executed this Amendment to Ground Lease pursuant to a resolution duly adopted by its members, the day and year first above written.

GLENNBROOKE RIDGE PROPERTY
OWNERS ASSOCIATION

By 
GLENNBROOKE MANOR

Lawrence D. Krause

Norman H. Fenton

STATE OF OREGON)
 : ss
County of Multnomah)

On this 2nd day of November, 1973, before me, the undersigned, a Notary Public in and for said County and State, personally appeared James J. Yonish who is the Chairman of Glennbrooke Ridge Property Owners Association, and who is known to be the identical individual who executed the within instrument and stated that this Amendment to Ground Lease was voluntarily signed by him as the Chairman of Glennbrooke Ridge Property Owners Association.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

(NOTARIAL SEAL)

Nancy A. Jorgensen
Notary Public for Oregon
My commission expires: 10-19-74

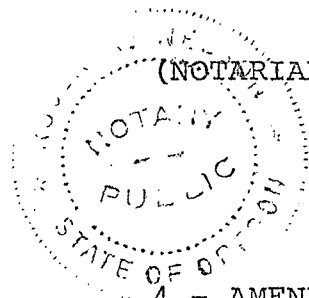
STATE OF OREGON)
 : ss
County of Multnomah)

On this 7th day of November, 1973, before me, the undersigned, a Notary Public of and for said County and State, personally appeared the within named LAWRENCE D. KRAUSE and NORMAN H. FENTON, who are the partners of GLENNBROOKE MANOR, and who are known to be the identical individuals who executed the within instrument and stated that this Amendment to Ground Lease was voluntarily signed by them as the partners of GLENNBROOKE MANOR.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

(NOTARIAL SEAL)

Roger A. Nelson
Notary Public for Oregon
My commission expires: 2-13-76



AGREEMENT

THIS AGREEMENT made and entered into this 21ST day of MAY 1973, by and between GLENNBROOKE RIDGE PROPERTY OWNERS ASSOCIATION, an unincorporated association composed of unit owners of Glennbrooke Ridge, a condominium, hereinafter referred to as GLENNBROOKE RIDGE, and GLENNBROOKE MANOR, an Oregon co-partnership consisting of NORMAN H. FENTON and LAWRENCE D. KRAUSE, hereinafter referred to as "GLENNBROOKE MANOR";

W I T N E S S E T H:

WHEREAS, Glennbrooke Ridge was formed by a Declaration of Unit Ownership filed and recorded in the Deed Records of Multnomah County, Oregon, in Book 7776, Page 1156, which Declaration related to property located in the County of Multnomah, State of Oregon, the legal description being set forth in the Declaration; and

WHEREAS, in June, 1970, Glennbrooke, Inc., an Oregon corporation, entered into a written lease agreement with Glennbrooke Manor for the lease of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein; and

WHEREAS, Glennbrooke, Inc., has assigned its interest in the lease with Glennbrooke Manor to Glennbrooke Ridge; and

WHEREAS, the Declaration of Unit Ownership of Glennbrooke Ridge contemplated that Glennbrooke Manor would construct approximately twenty-two rental units on the real property described in Exhibit "A", said property being immediately to the north of and abutting the property which

is the subject matter of the Declaration of Unit Ownership of Glennbrooke Ridge; and

WHEREAS, the Declaration of Unit Ownership of Glennbrooke Ridge provides that tenants of the rental units of Glennbrooke Manor shall be entitled to concurrent use of the swimming pool and any other recreational facilities located on and which are a part of the general common elements of Glennbrooke Ridge; and

WHEREAS, Glennbrooke Manor is presently in the process of considering the filing of a Declaration of Unit Ownership for the property described in Exhibit "A" and desires to inform Glennbrooke Ridge of its intentions and to reiterate and confirm the lease agreement and the use of the general common elements of Glennbrooke Ridge;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. Glennbrooke Ridge hereby acknowledges notification that Glennbrooke Manor is contemplating the filing of a Declaration of Unit Ownership for the real property described in Exhibit "A".

2. Glennbrooke Ridge and Glennbrooke Manor hereby acknowledge that the ground lease entered into between Glennbrooke, Inc., and Glennbrooke Manor, dated June, 1970, and subsequently assigned by Glennbrooke, Inc., to Glennbrooke Ridge shall continue in full force and effect and in the event a Declaration of Unit Ownership is filed by Glennbrooke Manor, the new unit owners association created by the Declaration of Unit Ownership shall assume and agree to pay all

obligations undertaken by Glennbrooke Manor in said ground lease. It is further understood and agreed that the assumption by the unit owners association will not in any manner relieve Glennbrooke Manor from the obligation to perform all the terms and conditions of the ground lease.

3. It is further understood and agreed that the concurrent use of the swimming pool and other recreational facilities granted to Glennbrooke Manor in article 4.4 of the Declaration of Unit Ownership of Glennbrooke Ridge shall continue in full force and effect and that said concurrent use shall be subject to no charges other than the payments set forth in the ground lease between Glennbrooke, Inc., and Glennbrooke Manor, dated June, 1970.

4. If it is necessary for either party to this agreement to take any action or suit to enforce any rights hereunder, the party not prevailing in such action or suit agrees to pay the prevailing party's costs and disbursements and such sum as the court may adjudge reasonable as attorney fees in any such action or suit or in any appeal thereon.

IN WITNESS WHEREOF, Glennbrooke Ridge has pursuant to the authorization of its members caused this agreement to be executed and Glennbrooke Manor has caused this agreement to be executed, the day and year first hereinabove mentioned.

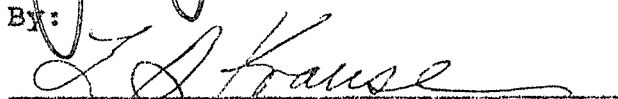
GLENNBROOKE RIDGE PROPERTY
OWNERS ASSOCIATION

By:



GLENNBROOKE MANOR

By:

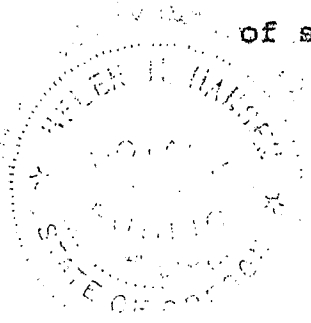


BOOK 944 PAGE 319

STATE OF OREGON)
: ss.
County of Multnomah)

5/21, 1973

BEFORE ME personally appeared the above named
James L. Fenwick, representing the GLENN-
BROOKE RIDGE PROPERTY OWNERS ASSOCIATION, and acknowledged
the foregoing instrument to be the voluntary act and deed
of such association.



Helen M. Hansen
Notary Public for Oregon
My Commission Expires: 2/7/75

STATE OF OREGON)
: ss.
County of Multnomah)

5/21, 1973

BEFORE ME personally appeared the above named
L.D. Krause, who is a partner in
GLENNBROOKE MANOR, and acknowledged the foregoing instru-
ment to be the voluntary act and deed of GLENNBROOKE
MANOR.



Helen M. Hansen
Notary Public for Oregon
My Commission Expires: 2/7/75

A Parcel containing Buildings 6, 7, 8, 9 and 10.

BOOK 944 PAGE 320

A parcel of land located in the East 1/2 of the NE 1/4 of Section 19, Township 1 South, Range 1 East of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Beginning at the northeast corner of said section; thence North 89° 11' 00" West 940.06 feet to a point on the East line extended north of Long Meadows, a recorded plat of Multnomah County; thence South 0° 06' 00" East along said East line and extension 1639.88 feet to the Southwest corner of property conveyed to Glennbrooke, Inc. by deed recorded July 30 1970 in Book 744, page 1675, Deed Records; thence North 89° 51' 45" East along the South line of said Glennbrooke, Inc. property 609.91 feet to the Southeast corner thereof; thence North 0° 07' 05" West along the East line of S. W. 46th Avenue 239.00 feet to the true point of beginning of the parcel to be herein described; thence West 149.17 feet; thence North 46.00 feet; thence West 89.39 feet; thence North 39.72 feet; thence West 143.00 feet; thence North 85.0 feet; thence West 101.82 feet; thence North 127.00 feet; thence East 84.00 feet to a point on the most westerly east line of said Glennbrooke, Inc. tract of land; thence South 0° 16' 10" East along said line 23.34 feet to the Southwest corner of that tract of land conveyed to the Archdiocese of Portland by deed recorded July 16, 1953 in Book 1611, page 434, Deed Records; thence South 89° 21' 25" East from said corner 233.79 feet to a Northerly corner of said Glennbrooke, Inc. property; thence South 0° 07' 05" East from said Northerly corner 191.12 feet to a re-entrant corner of said Glennbrooke, Inc. property; thence North 89° 51' 45" East from said corner 165.00 feet to the most easterly Northeast corner of said Glennbrooke, Inc. property; thence South 0° 07' 05" East along the East line of said S. W. 46th Avenue 81.00 feet to the true point of beginning.