

AFFIDAVIT

STATE OF OREGON)
) ss
County of Washington)

I, RONALD B. SORENSEN, being first duly sworn depose and say;

That, I am the President of TUALATIN DEVELOPMENT CO., INC.;

That, TUALATIN DEVELOPMENT CO., INC. on October 30, 1974 executed a Declaration of unit ownership on King City Terrace Condominium: That, this Declaration was recorded on December 5, 1974 in Book 1003, Page 130 of records of Washington County;

That, page 6 of the Declaration sets out the numbers of the unit designations;

That, the unit designations are similar on the building plans filed with the Declaration with the exception that a hyphen is inserted between the last digit and the next to the last digit of the unit designation numbers stated in the Declaration;

That, the unit designation numbers listed below as set out on page 6 of the Declaration describe the units designated by the unit designations shown on the building plans as described below:

UNIT DESIGNATIONS
(NUMBER) IN
DECLARATION

UNIT DESIGNATIONS
(NUMBER) ON
BUILDING PLAN

| | |
|-----|------|
| 11 | 1-1 |
| 12 | 1-2 |
| 13 | 1-3 |
| 14 | 1-4 |
| 15 | 1-5 |
| 16 | 1-6 |
| 17 | 1-7 |
| 18 | 1-8 |
| 19 | 1-9 |
| 110 | 11-0 |
| 111 | 11-1 |
| 112 | 11-2 |
| 113 | 11-3 |
| 114 | 11-4 |
| 21 | 2-1 |
| 22 | 2-2 |
| 23 | 2-3 |
| 24 | 2-4 |
| 25 | 2-5 |
| 26 | 2-6 |
| 27 | 2-7 |

PIONEER NATIONAL TITLE INS. CO. HAS RECORDED THIS INSTRUMENT BY REQUEST AS AN ACCOMMODATION ONLY AND HAS NOT EXAMINED IT FOR REGULARITY AND SUFFICIENCY OR AS TO ITS EFFECT UPON THE TITLE TO ANY REAL PROPERTY THAT MAY BE DESCRIBED THEREIN.

UNIT DESIGNATIONS
(NUMBER) IN
DECLARATION (Continued)

UNIT DESIGNATIONS
(NUMBER) ON BUILDING
PLAN (Continued)

28
29

2-8
2-9

31
32
33
34
35
36

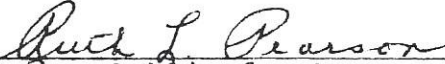
3-1
3-2
3-3
3-4
3-5
3-6

The units will be conveyed using the unit designation numbers set out in the Declaration and these conveyances will convey the units shown on the building plans with the numbers set out above.

Dated this 17 day of December, 1974.

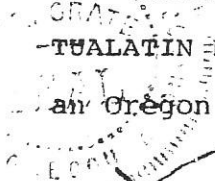

Ronald B. Sorensen
President, Tualatin Development Co., Inc.

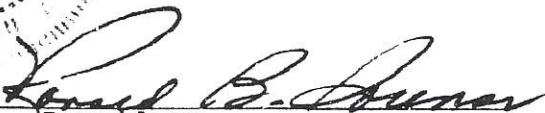
Subscribed and sworn to before me this 17th day of December, 1974.


Ruth L. Pearson
Notary Public for Oregon
My commission expires: January 16, 1975

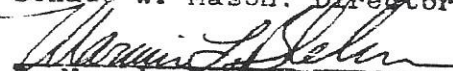
TUALATIN DEVELOPMENT CO., INC., an Oregon corporation does hereby ratify the content of the foregoing Affidavit of RONALD B. SORENSEN.

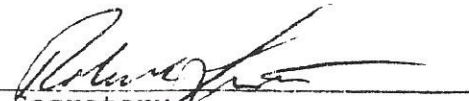
Dated this 17 day of December, 1974.


TUALATIN DEVELOPMENT CO., INC.
an Oregon Corporation

BY: 
President

Approved this date: 12/11/74
Dept. Assessment & Taxation
Donald W. Mason, Director


By Marvin L. Blehm, Chief Draftsman

BY: 
Secretary

STATE OF OREGON)
) ss
County of Washington)

December 17, 1974

Personally appeared Ronald B. Sorensen and Robert Luton who, being first duly sworn, did say that he, Ronald B. Sorensen is the President and that he, Robert Luton, is the Secretary of Tualatin Development Co., Inc., and that they executed the foregoing instrument on behalf of Tualatin Development Co., Inc. by authority of its Board of Directors and have acknowledged said instrument to be its voluntary act and deed.

Ruth L. Pearson
Notary Public for Oregon
My commission expires: January 16, 1975



b.00
PN

Deeds

STATE OF OREGON }
County of Washington } ss

I, Roger Thomssen, Director of Records and Elections and Ex-Officio Recorder of Conveyances for said county, do hereby certify that the within instrument of writing was received and recorded in book of records

No. _____
of said County

Witness my hand and seal affixed.
ROGER THOMSSSEN, Director of
Records & Elections

L. Cook

Dec 18 3 39 PM '74 Deputy

BOOK 1004 PAGE 885



DECLARATION OF UNIT OWNERSHIP
OF
KING CITY TERRACE CONDOMINIUM

THIS DECLARATION of submission to Unit Ownership and related details, hereinafter called "Declaration," is executed and acknowledged pursuant to the Oregon Unit Ownership Law, ORS 91.505 to 91.675, this 30th day of October, 1974 by Tualatin Development Co., Inc., an Oregon corporation, hereinafter called "Declarant."

Declarant does hereby publish and declare that the property hereinafter, in Section 1.0, described is held in fee simple, subject to construction mortgage which will be satisfied by Declarant, to statutory powers, including the power of assessment, of the Unified Sewerage Agency of Washington County and subject to drainage and utility easement recorded November 30, 1967 in Book 26, page 1, Plat Records, and easement for water drainage purposes granted to D. J. Conway et ux recorded April 23, 1969 in Book 740, page 691, Records of Washington County, and shall be held, used, conveyed, hypothecated, encumbered, leased, rented, occupied, and improved subject to the covenants, conditions, restrictions, uses, limitations, and obligations defined or provided in this Declaration, all of which are declared and agreed to be in furtherance of a plan for the improvement of the Property and the division thereof into condominium units, and shall be deemed to run with the Property, and each part thereof, and shall be a burden and benefit to Declarant, its successors and assigns, and any subsequent owners acquiring or owning an interest in the Property, including improvements thereof, their grantees, successors, heirs, personal representatives, devisees and assigns.

1.0 Description of the Property.

1.1 The land and the buildings, improvements and structures thereon, together with all easements, rights and appurtenances thereof, all hereinafter called "Property," by

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this Declaration submitted to the provisions of the Unit Ownership Law, is described as follows:

Lot 41, Block 14, KING CITY NO. 7, Washington County, Oregon.

Subject, however, to the right and easement reserved by Declarant, for itself, its officers, employees, agents, successors, assigns, invitees and licensees, in perpetuity to pass and enjoy ingress and egress over and across all streets and roads in the above-described property, and in and under all such streets and roads for the purpose of maintaining and repairing utilities, sewer lines, and other services.

1.2 Declarant herewith files for recording with the Director of Records and Elections of Washington County, Oregon, a certain instrument entitled "Floor Plans and Plat of the King City Terrace Condominium", hereinafter referred to as "Plans".

2.0 Definitions.

Certain terms as used in this Declaration shall be defined as follows, unless the context clearly indicates a different meaning therefor:

2.1 "Association of Unit Owners" means the Association of King City Terrace Condominium Unit Owners.

2.2 "Building" means a multiple-unit building or single-unit buildings, or any combination thereof, comprising a part of the property.

2.3 "Bylaws" means the bylaws adopted by the Association of King City Terrace Condominium Unit Owners, including any adopted amendments thereto.

2.4 "Civic Association" means the King City Civic Association, an Oregon non-profit corporation.

2.5 "Common Elements" means the general common elements and the limited common elements.

2.6 "Common Expenses" means:

(a) expenses of administration, maintenance, repair, or replacement of the common elements;

(b) expenses agreed upon as common by the unit owners; and

(c) expenses of securing and maintaining insurance and other common services and benefits as contemplated by this Declaration;

(d) expenses declared common by subsection (1) of ORS 91.590 and subsection (2) of ORS 91.595, or by this Declaration or the Bylaws.

2.7 "Declarant" means Tualatin Development Co., Inc., an Oregon corporation, which has made and executed this Declaration, and includes any successor of Tualatin Development Co., Inc.

2.8 "General common elements", unless otherwise provided in this Declaration or by consent of all the Unit owners, means the property, except any portion thereof included in a unit or made a limited common element by this Declaration and includes, but not by way of limitation, the following:

(a) the foundation, columns, girders, beams, supports, perimeter walls, roofs, halls, corridors, lobbies, stairs, fire escapes, entrances and exits of a building.

(b) the basements, yards, fences, and privacy barriers, gardens, parking areas, outdoor lighting facilities, landscape toolshed, and outside storage spaces,

subject, however, to the portions of the foregoing reserved by the terms of this declaration as limited common elements;

(c) installation external to the units of central services such as power, light, gas, hot and cold water, sewer, heating, refrigeration, air conditioning, television lines, waste disposal and incinerating to the extent any of the foregoing exist;

(d) the tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;

(e) all other elements of a building necessary or convenient to its existence, maintenance, and safety, or normally in common use;

(f) all roads and roadways designated on the Plans and not identified as otherwise reserved or owned.

2.9 "Limited common elements" means those common elements designated in this Declaration or by agreement of all the Unit Owners, as reserved for the use of a certain unit or number of units, to the exclusion of the other units.

2.10 "Majority" or "Majority of the Unit Owners", unless otherwise provided in the Declaration, means the owners of more than fifty (50) percent in the aggregate of the undivided ownership interests in the General common elements as the percentage of interest in such elements appertaining to each Unit is expressed in this Declaration. Whenever a percentage of the Unit Owners is specified, percentage means such percentage in the aggregate of such undivided ownership.

2.11 "Manager" means the manager, board of directors, or other person in charge of the administration or managing of the property.

2.12 "Recording Officer" means the Director of Records and Elections of Washington County, Oregon.

2.13 "Unit" means a separately designated and legally described freehold estate in a part of a building on the property, intended for independent use and not owned in common with the Owners of any other Units in King City Terrace Condominium, and with a direct exit to a public street or highway or to a common area or areas leading to a public street or highway. Each Unit is the space contained within and bounded by the interior surfaces of its perimeter walls, floors, ceilings, windows and window frames, doors and door frames, and trim, excepting, however, interior bearing walls, and the several Units are designated on floor plans attached hereto and by this reference made a part hereof.

2.14 "Unit Designation" means the number, letter or combination thereof designating a Unit in the Declaration.

2.15 "Unit Owner" means the person or combination of persons, firm or corporation owning the title to or purchasing under a valid and effective contract of sale, a Unit in King City Terrace Condominium, but excluding those having such interest merely as security for the performance of an obligation.

3.0 Name of Property and Description of Units.

3.1 The name by which the property and units collectively shall be known is King City Terrace Condominium.

3.2 The Units on the property consist of twenty-nine (29) residential units located in three buildings. The Units

10077 shall be of six different floor plans as illustrated in the attachments to this Declaration and constructed and grouped in Buildings as follows:

| <u>Building</u> | <u>Unit Designations (Number)</u> | <u>Floor Plan (Type)</u> | <u>Approximate Area (Sq. Ft.)</u> | <u>Percentage of Ownership of Common Elements and Vote Weight</u> | <u>Maximum Initial Monthly Assessment</u> |
|-----------------|-----------------------------------|--------------------------|-----------------------------------|---|---|
| 1 | 11 | H | 732 | 2.396 | \$27. |
| 1 | 12 | H | 732 | 2.396 | 27. |
| 1 | 13 | SG1 | 861 | 2.506 | 29. |
| 1 | 14 | FM | 1257 | 3.814 | 44. |
| 1 | 15 | FM | 1257 | 3.963 | 45. |
| 1 | 16 | SG1 | 861 | 2.506 | 29. |
| 1 | 17 | FM | 1257 | 3.814 | 44. |
| 1 | 18 | FM | 1257 | 3.963 | 45. |
| 1 | 19 | SG2 | 994 | 3.065 | 35. |
| 1 | 110 | FF | 1400 | 4.163 | 48. |
| 1 | 111 | FF | 1400 | 4.263 | 49. |
| 1 | 112 | SG1 | 861 | 2.506 | 29. |
| 1 | 113 | FM | 1257 | 3.814 | 44. |
| 1 | 114 | FM | 1257 | 3.963 | 45. |
| 2 | 21 | SG2 | 994 | 3.065 | 35. |
| 2 | 22 | FF | 1400 | 4.163 | 48. |
| 2 | 23 | FF | 1400 | 4.263 | 49. |
| 2 | 24 | SG1 | 861 | 2.506 | 29. |
| 2 | 25 | FM | 1257 | 3.814 | 44. |
| 2 | 26 | FM | 1257 | 3.963 | 45. |
| 2 | 27 | SG2 | 994 | 3.065 | 35. |
| 2 | 28 | FF | 1400 | 4.163 | 48. |
| 2 | 29 | FF | 1400 | 4.263 | 49. |
| 3 | 31 | AM | 1125 | 3.195 | 36. |
| 3 | 32 | AM | 1125 | 3.354 | 38. |
| 3 | 33 | AM | 1125 | 3.190 | 36. |
| 3 | 34 | AM | 1125 | 3.354 | 38. |
| 3 | 35 | AM | 1125 | 3.156 | 36. |
| 3 | 36 | AM | 1125 | 3.354 | 38. |
| | | | | 100.00 | |

3.3 Buildings 1 and 2 each has a Unit or Units in daylight basement areas. In Building No. 1, these are Units 13, 16, 19 and 112. In Building No. 2, they are Units 21, 24 and 27. In Buildings 1, 2, and 3, 30 storage lockers are located. As indicated in the floor plans for Buildings 1, 2, and 3, those lockers, respectively, are assigned to the several Units and each is a limited common element of the Unit to which it is designated.

10077 3.4 Principal materials of which the buildings are constructed are the following: The exterior siding material in each of the three buildings is "double-5" aluminum with wood trim. Common entries are brick-veneer with steel doors. Sliding patio doors are bronze-anodized and have double-pane glass. Other windows are double-hung wood frames. Roofs are cedar shake, laid with 10" exposure. Gutters and downspouts are galvanized. Electric heat is installed. Foundations are of reinforced concrete. Bottom floors are concrete slab or 1-1/8 inch plywood on 4" x 6" wood beams on posts resting on concrete footings. Framing is wood. Plumbing and wiring is installed and conforms to State of Oregon codes effective at time of construction. All exterior walls and ceilings of units are insulated.

Fireplaces are installed in the several Units designated FF and FM and in the H Unit numbered 11.

The roads are blacktopped. Curbs and sidewalks are concrete.

Building No. 1 is partially two-story and partially three-story; Building No. 2 is three-story; Building No. 3 is two-story; all as is more specifically indicated in the drawings of elevations and floor plans attached to this Declaration.

3.5 The Units are designated on the "Floor Plans and Plat of King City Terrace Condominium", hereinafter called "Plans", filed herewith for record in the office of the Recording Officer, a copy of which Plans are attached hereto.

4.0 General Common Elements.

4.1 Proportionate ownership by Unit of the general common elements in the property shall be in the percentages defined in Section 3.0 of this Declaration. Those proportions are established on the basis of approximate initial relative

10077 values of the respective Units to the combined initial values of the several Units.

5.0 Limited Common Elements.

5.1 Proportionate ownership by Unit of the limited common elements in the property shall be established in the same manner and by the same formula as ownership of general common elements.

5.2 Separated from the respective Units by one of the exterior walls adjacent to the Unit is a privacy deck or patio area as designated on the Floor Plans of King City Terrace Condominium. Each such privacy deck or patio area is a limited common element and is reserved for the use of the Unit, the exterior wall of which it abuts, to the exclusion of the other Units.

5.3 Located at an end of each privacy deck or patio area is a storage area. Each such storage area is a limited common element and is reserved for the use of the Unit, the exterior wall of which it abuts, to the exclusion of the other Units.

5.4 Twenty-nine (29) carports are located in the garage building structure. Each carport is assigned to a Unit as designated on the Plat, and is a limited common element reserved for the use of the Unit to which it is assigned, to the exclusion of the other Units.

5.5 Each of the several Units designated FF or FM and H type Unit numbered 11, has an installed fireplace. The chimney flue serving each such fireplace shall be a limited common element reserved for the exclusive use and service of the Unit and an easement shall at all times obtain for continued location and maintenance of the flue and chimney as initially located in the building in which it is established and any other Units through which it may encroach.

6.0 Interest in Common Elements Attached to Title to Unit;
Governance of Common Elements.

6.1 The proportionate undivided interest in general common elements allocated to the respective Units and the right of exclusive use of limited common elements reserved for the respective Units, all as provided in this Declaration, shall be irrevocably appurtenant to the title to the Units, respectively, to which they are allocated or reserved, and the undivided interest in the common elements and the fee title to the respective Units conveyed therewith shall not be separated or separately conveyed, and each undivided interest in common elements shall be deemed to be conveyed or encumbered with its respective Unit, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the Unit.

6.2 Governance and control of the Common Elements consistent with, and to implement, the purposes and provisions of this Declaration, shall be in the Association of Unit Owners and its board of Directors.

6.3 The Association of Unit Owners shall give the Federal Home Loan Mortgage Corporation notice (c/o the Servicer of any Federal Home Loan Mortgage Corporation loans on the project known to the Association, at the Servicer's address) in writing of any loss to, or taking of, the common elements of the project if such loss or taking exceeds \$10,000.

7.0 Conditions, Restrictions and Covenants.

Declarant, its successors and assigns, by this Declaration, and all "Unit Owners" who shall at any time come into ownership, by their acceptance of their deeds, covenant and agree as follows:

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7.1 In addition to other conditions, restrictions and covenants herein defined, each Unit and the Property, shall be subject to conditions and restrictions, encumbering the property of record on the date of this Declaration being Declaration of Restrictions Pertaining to King City No. 7, recorded December 11, 1967 in Book 672, page 239, and Amended and Restated Declaration of Conditions and Restrictions, recorded February 19, 1970 in Book 771, pages 932-945, and Further Amendment and Restatement of Declaration of Conditions and Restrictions, recorded October 6, 1971 in Book 838, pages 828-829, Records of Washington County, Oregon, and/or to any supplements or modifications thereto which may be hereafter validly placed of record.

7.2 Membership in Civic Association. Pursuant to Article I, Section 9 of the Conditions and Restrictions referred to in paragraph 7.1, each Unit occupant shall be a proprietary member of the King City Civic Association and shall be subject to the obligations of that status.

7.3 Each Unit shall be occupied and used by the respective Unit Owner only as a private dwelling for the owner, his family, tenants (including, but not limited to, lessees or renters from Declarant) and social guests, and for no other purpose. No Unit shall be occupied by any person who is not a Proprietary or Associate Member of the Civic Association; Provided, this restriction shall not prohibit temporary and social visitation of the occupants of a residential Unit by persons who so qualified to be occupants; Provided, further, that no one shall be a member of the Civic Association, nor an occupant of a Unit who is not at least fifty (50) years of age, or the spouse of a person at least fifty (50) years of age and who has not been elected to membership in the Civic Association in accordance with its bylaws; Provided, further, that this provision shall

not prohibit such occupancy by a child of a member of the Civic Association who is more than eighteen (18) years of age.

7.4 The Common Elements and Units shall remain undivided and no Unit Owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the Unit Owners with respect to the operation and management of the condominium.

There shall be no judicial partition of the Unit or any part thereof, nor shall Declarant and Unit Owner or any person acquiring any interest in any Unit seek any such judicial partition, unless the Property has been removed from the provisions of the Unit Ownership Act.

7.5 A Unit Owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his respective Unit, nor shall said Owner be deemed to own pipes, wires, conduits or other public utility lines running through any Unit, except as tenants in common with the other Unit Owners as provided in this Declaration. A Unit Owner, however, shall be deemed to own the walls and partitions which are contained in said owner's Unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including drywall, paint, wallpaper, carpet, etc.

7.6 Maintenance, Repair and Structural Changes.

7.6.1 Each Unit Owner must perform promptly within his own Unit all maintenance and repair work which, if omitted, would affect the Condominium in its entirety or in a part belonging to other owners, and the Unit Owner expressly shall be responsible for any damage or liability which may result from his failure so to do.

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7.6.2 All repairs, replacement and maintenance of internal installations of the Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, disposal-type appliances, doors, windows, lamps, and all other accessories, lines, pipes and services located within the perimeters of the Unit area, and unplugging of drainlines which may be located within the exterior walls surrounding the Unit and all maintenance of the interiors or storage area assigned to the Unit as a limited common element shall be at the Owner's expense. The foregoing shall apply despite the fact that some or all of the locations requiring repairs, replacement or maintenance shall be located in interior or exterior walls or for other reasons may not be within the boundaries of the Unit or owned by the Unit Owner.

7.6.3 A Unit Owner shall reimburse the Association of Unit Owners for any expenditures incurred in repairing or replacing any common area or facility damaged through fault of the Unit Owner, not otherwise covered by insurance owned by the Condominium Association for the Owner's and Association's benefit.

7.6.4 No Unit Owner shall make any structural modifications or alterations in his Unit or to installations located therein without previously securing in writing the consent of the Association of Unit Owners, through the Management Agent, if any, or through the Chairman of the Board of Directors, if no Management Agent is employed. The Unit Owner shall notify the Association in writing of his intent and his request for such consent. The Association shall have the obligation to respond within thirty (30) days. Failure

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of the Association to do so within that period shall mean that there is no objection to the proposed modification or alteration and shall be the equivalent of consent in writing.

7.6.5 If the mortgagee of any Unit Owner, except declarant, determines that the Board is not providing adequate maintenance, repair or replacement for the Project, such mortgagee may give written notice to the Board setting forth the defect or defects which it believes exist. If the specified defect or defects are not corrected within 90 days after receipt of said notice, then the mortgagee, upon written notice to the Board that it is exercising its purchaser's rights thereunder, shall have the right to attend such special or annual meetings of the Association and to cast a vote for each unit on which it holds a mortgage lien on their business before such meeting and said purchaser's rights shall continue until the defects specified in the notice are corrected.

7.6.6 A first mortgagee of any Unit Owner, at request of such mortgagee, shall be entitled to written notification from the Association of Unit Owners of any default by the mortgagor of such unit in the performance of such mortgagor's obligations under the condominium documents, which is not cured in thirty (30) days.

7.7 Each Unit Owner agrees that if any portion of the "common elements" encroaches upon any Unit in which he has an interest, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event the building is partially destroyed

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of the Association to do so within that period shall mean that there is no objection to the proposed modification or alteration and shall be the equivalent of consent in writing.

7.6.5 If the mortgagee of any Unit Owner, except declarant, determines that the Board is not providing adequate maintenance, repair or replacement for the Project, such mortgagee may give written notice to the Board setting forth the defect or defects which it believes exist. If the specified defect or defects are not corrected within 90 days after receipt of said notice, then the mortgagee, upon written notice to the Board that it is exercising its purchaser's rights thereunder, shall have the right to attend such special or annual meetings of the Association and to cast a vote for each unit on which it holds a mortgage lien on their business before such meeting and said purchaser's rights shall continue until the defects specified in the notice are corrected.

7.6.6 A first mortgagee of any Unit Owner, at request of such mortgagee, shall be entitled to written notification from the Association of Unit Owners of any default by the mortgagor of such unit in the performance of such mortgagor's obligations under the condominium documents, which is not cured in thirty (30) days.

7.7 Each Unit Owner agrees that if any portion of the "common elements" encroaches upon any Unit in which he has an interest, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event the building is partially destroyed

10077 and then rebuilt, the Unit Owners agree that minor encroachment of parts of the "common elements" due to construction shall be permitted and that a valid easement for such encroachment and the maintenance thereof shall exist.

7.8 Each Unit Owner shall automatically be a member of the Association of Unit Owners and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership shall pass to the succeeding owner.

7.8.1 Each Unit's vote shall be weighted in accordance with the percentage of the Unit's share in the Ownership of the common elements as provided in the Declaration of Unit Ownership of King City Terrace Condominium.

7.8.2 The Association of Unit Owners shall have two Classes of voting membership:

(a) Class A. Class A members shall be all those Unit Owners as defined in Section 2.15 with the exception of the Declarant; provided, that Declarant shall become a Class A member when its Class B membership has been converted as hereinafter defined. A Class A member shall be entitled to one weighted vote for each Unit in which he or she holds the interests required for membership by Section 3.0 of the Bylaws of the Association of King City Terrace Condominium Unit Owners; provided, when more than one person holds the total fee simple interest in any Unit, all such persons shall be members, but the vote for such Unit shall be exercised as they among themselves determine and by such one person representing

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the Unit as the group of Owners shall have certified unanimously and in writing to the Secretary of the Association; provided further, in no event shall more than one weighted vote be cast with respect to any residential unit.

(b) Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) weighted votes for each Unit in which it holds the interest required for membership by Section 3.0 of the Bylaws of the Association of King City Terrace Condominium Unit Owners, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) when the total votes outstanding in the Class A membership equal twice the total votes outstanding in the Class B membership, or

(2) on January 1, 1980.

7.9 The Unit Owners covenant and agree that the administration of King City Terrace Condominium shall be in accordance with the provisions of this Declaration and the Bylaws of the Unit Owners Association and of the Civic Association, as each of them may from time to time be amended.

7.10 Each Owner, tenant or occupant of a Unit shall comply with the provisions of this Declaration, the Bylaws, decisions and resolutions of the Association or its representative, as lawfully amended from time to time, and failure to comply with any such provisions, decisions or resolutions

shall be grounds for an action to recover sums due, for damages, or for injunctive relief.

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7.11 Except as otherwise provided herein, the provisions of this Declaration may be amended by the vote of 75% of the members of the Association of Unit Owners, weighted in accordance with paragraph 3.2 of this Declaration; provided, until such time as the Declarant shall own no Unit, any amendment shall be ineffective unless affirmatively concurred in by the Declarant. An amendment adopted in accordance herewith shall be effective upon recordation in the office of the Recording Officer, duly signed and acknowledged by the Chairman and Secretary of the Association of Unit Owners.

7.12 No Unit Owner of a Unit may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by the abandonment of his Unit.

7.13 Administration, Assessments and Liens

7.13.1 The Board of Directors of the Association of Unit Owners shall administer the affairs of the Condominium for the benefit of the Unit Owners and shall administer, maintain, repair or replace the common elements and arrange for employment or contracting of personnel therefor and shall have authority, in accordance with its Articles of Incorporation and its Bylaws, to raise by assessment against the Units, funds to pay the common expenses. Such assessments shall be levied in amounts prorated among the several Units according to the percentage of undivided interest of each in the common elements. Until modified by the Association acting through its Board of Directors, the monthly assessment levied against the respective Units shall be not more than the maximum initial monthly assessment designated in Section 3.2 of

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this Declaration. All sums assessed by the Association but unpaid for the share of the common expenses and utility services chargeable to any Unit shall constitute a lien on such Unit prior to all other liens, except only (1) tax liens on the Unit in favor of any assessing unit and special district, and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the Manager or Board of Directors of the Association of Unit Owners, acting on behalf of the Owners of the Units, in like manner as a mortgage of real property. In any such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit, if so provided by the Bylaws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Manager or Board of Directors, acting on behalf of the Association of Unit Owners shall have power, unless prohibited herein, to bid in the Unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same. Officers and directors of the Association shall serve without pay.

7.13.2 First mortgagees of Units shall have the right to examine the books and records of the Association of Unit Owners or the Project.

7.14 In event the mortgagee of a first mortgage of record or other purchaser of a Unit obtains title to the Unit as a result of foreclosure of the first mortgage or deed (or assignment) in lieu of foreclosure, the acquirer of title, his successors and assigns, shall be exempt from any "right of

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first refusal" which might at any time be provided for the benefit of Declarant or others, and shall not be liable for the share of the common expenses or assessments by the Association of Unit Owners chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of common expenses or assessments shall be common expenses collectible from all of the Units, including such acquirer, his successors and assigns.

7.15 In the event the building subject to this Declaration is totally or substantially damaged or destroyed, the repair, reconstruction or disposition of the property shall be as provided by an Agreement approved by more than fifty (50) percent of the voting Unit Owners, weighted in accordance with paragraph 3.2 of this Declaration.

7.16 In event of a voluntary conveyance of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Manager or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association, and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

7.17 All agreements and terminations lawfully made by the Association in accordance with the voting percentages established pursuant to ORS 91.505 to 91.675, and this Declaration

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or in the Bylaws, shall be deemed to be binding on all Unit Owners, their successors and assigns.

7.18 Right of Entry.

7.18.1 Each Unit Owner and each lessee or other occupant of any Unit grants the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association, in case of an emergency originating in or threatening a Unit, whether or not the Owner, lessee or occupant is present at the time.

7.18.2 A Unit Owner, lessee or occupant, shall permit the Association of Unit Owners, or their representatives, when so required, to enter his Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the occupant. In case of an emergency such right of entry shall be immediate.

7.19 Fire and Liability Insurance. The Board of Directors of the Association of Unit Owners shall procure and maintain, and from the assessments levied to pay common expenses shall pay the premiums for, a policy or policies (herein called "the Policy") of fire insurance, with extended coverage endorsement, for as nearly as practicable to one hundred percent (100%) of the insurable replacement cost value of the buildings on the Property and/or building service equipment in its initial forms without deductions for depreciation and without consideration of extra improvements which any Unit Owner shall have caused to be affixed to his Unit after original sale by builder (such value to be determined

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annually by the Board and to exclude property of every kind and description while underground, except underground conduit or wiring when beneath the buildings covered herein) in the name of the Board as insured as trustee for the several Unit Owners and their mortgagees in the ratio defined in paragraph 3.2 of this Declaration. Such policy:

7.19.1 Shall contain no provision limiting or prohibiting other insurance by the owner of any Unit, but if reasonably obtainable, shall provide that the liability of the insurer shall not be affected by, nor shall the insurer claim any right of set-off, counterclaim, apportionment, proration, or contribution by reason of, any such other insurance;

7.19.2 Shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board, or if reasonably obtainable, shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board or the Unit Owner or a tenant of any unit, or by reason of any act or neglect of the Board or the Unit Owner or a tenant of any Unit;

7.19.3 Shall provide that the policy may not be cancelled (whether or not requested by the Board) except by giving to the Board and to the Unit Owner of each Unit who shall have requested such notice of the insurer in writing addressed to him at the premises, thirty (30) days' written notice of such cancellation;

7.19.4 Shall contain a provision waiving any right of subrogation by the insurer to any right of the Board against any Unit Owner or a lessee of any Unit;

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7.19.5 Shall contain a provision waiving any right of the insurer to repair, rebuild and replace or to require that the Board of the Association or the Unit Owner do so;

7.19.6 Shall provide that in the case of any loss, the loss shall be adjusted with the Board of the Association;

7.19.7 Shall contain a standard mortgage clause which

(a) shall name the holder of any mortgage affecting any Unit whose name shall have been furnished to the Board;

(b) shall provide that the insurance as to the interest of the mortgagee shall not be invalidated by any act or neglect of the Board or the Unit Owner or tenant of any Unit.

(c) shall waive any requirement invalidating such mortgagee clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium (provided, however, in case the Board of the Association shall fail to pay the premium due or to become due under the policy, the mortgagee may pay the same prior to the effective date of the termination of the policy), any contribution clause, and any right to be subrogated to the rights of any mortgagee against the Unit Owner or lessee of any Unit or the Board or to require an assignment of any mortgage to the insurer, except that the

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insurer will have the right of subrogation to the extent of insurance proceeds received by and retained by the mortgagee if the insurer shall claim no liability as to the mortgagor or owner, but without impairing mortgagee's right to sue;

(d) shall provide that without affecting the protection afforded to the mortgagee by such mortgage clause, any proceeds payable under such clause shall be payable to the Board or to an insurance trustee as provided by the Bylaws; and

(e) shall provide that any reference to a mortgagee in the policy shall include all mortgagees on any Unit, in order of preference.

7.19.8 The Board of the Association of Unit Owners shall procure and maintain a policy or policies (herein called "the policy") of comprehensive general liability insurance to insure the Board, each Unit Owner as the owner of a Unit, and any managing agent and other employees of the Association against claims for personal injury or property damage arising out of the existence of premises and/or against such claims arising out of operations of contractors of construction work under a comprehensive general liability form to include, but is not limited to, (1) coverage of automobile liability for owned, hired or non-owned automobiles, (2) water damage legal liability and (3) fire damage legal liability. The comprehensive general liability insurance shall include Unit Owners and employees as

aforesaid as additional insureds, it being understood and agreed that the insurance will exclude coverage for the personal activities of Unit Owners and employees as aforesaid, and will cover a Unit Owner only with respect to his liability arising out of ownership, maintenance or repair of that portion of the premises not reserved for his exclusive use or occupancy. Said insurance, shall be for such limits, not less than \$1,000,000.00, as the Board may decide. Such policy:

(a) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board, or any breach of warranty or condition caused by the owner of any residential Unit, or by any act or neglect of the owner or tenant of any residential Unit;

(b) shall provide that the policy may not be cancelled (whether or not requested by the Board) except by giving to the Board and to the Owner of each residential Unit who shall have requested such notice of the insurer in writing, addressed to him at the premises, thirty (30) days' written notice of such cancellation.

It is the intent of these provisions that each residential Unit Owner or occupant shall be responsible to procure and maintain such public liability insurance coverage as he may desire with respect to his Unit and the limited common elements, but not the general common elements, reserved to such Unit.

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7.19.9 The Board of the Association of Unit Owners may also procure insurance against such additional risks as the Board may deem advisable for the protection of the Unit Owners.

7.19.10 The Board of the Association of Unit Owners shall review not less frequently than annually the adequacy of its insurance program and shall report in writing the Board's conclusions and action taken on such review to the members of the Association. At the request of any mortgagee of any Unit, the Board shall furnish to such mortgagee a copy of the fire policy described in paragraph 7.19.1. Copies of every policy of insurance procured by the Board shall be available for inspection by Unit Owner (or contract purchaser) at the office of the managing agent.

7.19.11 Any such coverage procured by the Board of the Association of Unit Owners shall be without prejudice to the right of the Unit Owners to insure the Units and the contents thereof for their own benefit at their own expense. At all times, it shall be the responsibility of the several Unit Owners to ascertain and inform themselves of the terms of coverage of insurance of respective kinds, and the limits of such coverage under policies procured and maintained from time to time by the Association and to secure such additional insurance, if any, as they, respectively, may desire for their further or additional protection.

7.20 Damage, Destruction and Replacement of Buildings.

7.20.1 In the event of substantial damage to or destruction of a building or one (1) or more Units

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on the Property, all available insurance proceeds, including proceeds received for damage to a building on any policy taken out by the Association of Unit Owners for Unit Owners, shall be held in trust by the Board of the Association to repair, reinstate, rebuild or replace the building (herein called "the work") in accordance with the original plans and specifications or if the work according to the original plans and specifications is not permissible under the applicable laws and regulations, then in accordance with other plans and specifications prepared or approved by the Board. In the event of any deficiency between said insurance proceeds and the cost of the work, each Unit Owner shall pay his proportionate share of said deficiency as Common Expenses. The Board shall have the authority, as agent of all Unit Owners, to enter into a contract or contracts to accomplish the work.

7.20.2 Nevertheless in the event that, after substantial damage to or destruction of a building, the Board of the Association of Unit Owners shall determine that such damage or destruction shall not be rebuilt, repaired or restored, or in the event such damage or destruction shall not have been rebuilt, repaired or restored within a reasonable time after occurrence thereof, the damaged building shall be subject to an action for partition by any Owner of a common interest or lienor as if owned in common, in which event the damaged buildings and the Units therein shall be sold and the net proceeds of the sale, together with the net insurance proceeds, shall be distributed in proportion to the respective common interests and in accordance with law.

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7.20.3 Upon the completion of the work and payment in full therefor, any surplus proceeds of insurance then or thereafter remaining in the hands of the Board of the Association of Unit Owners as insurance trustee shall be held for and credited to the Unit Owners of all Units in common with funds raised by assessment for payment of Common Expenses.

7.20.4 To the extent that any loss, damage or destruction to a building on the property is covered by insurance procured by the Board of the Association of Unit Owners, the Board shall have no claim or cause of action for such loss, damage or destruction against any Unit Owner or lessee. To the extent that any loss, damage or destruction to the property of any Unit Owner or lessee is covered by insurance procured by such Unit Owner or lessee, such Unit Owner or lessee shall have no claim or cause of action for such loss, damage or destruction against the Board, any managing agent or the Association. All policies of insurance referred to in this paragraph shall contain appropriate waivers of subrogation.

7.21 Delegation of Board Authority of the Association of Unit Owners.

7.21.1 The Board of Directors may delegate any of its managerial duties, powers or functions to any person or firm, to act as Manager of the project, provided that any such delegation shall be revocable upon notice by the Board of Directors. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated by written

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instrument executed by a majority of the Board of Directors. In the absence of any appointment the Chairman of the Board of Directors shall act as Manager.

7.21.2 Any agreement for professional management of the project shall provide that the management contract may be terminated for cause on ninety (90) days' written notice and the term of any such contract shall not exceed three years.

7.22 Entry to Units. The Board of Directors of the Association of Unit Owners, or its agents, may enter any Unit when necessary in connection with any maintenance or construction for which the Board of Directors is responsible. Such entry shall be made with as little inconvenience to the owners as practicable, and any damage caused thereby shall be repaired by the Board of Directors out of the common expense fund.

7.23 Waiver of Board Liability. The Board of Directors of the Association of Unit Owners shall not be liable for any failure of any service to be obtained and paid for by the Board of Directors or for injury or damage to person or property caused by the elements or by another Unit Owner or person in the project, or resulting from electricity, water, rain, snow or ice which may leak or flow from outside or from any parts of the building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place, unless caused by gross negligence of the Board of Directors. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences 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 order of a governmental authority. The Board of Directors and

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Manager shall not be responsible to the Unit Owners for loss or damage by theft or otherwise of articles which may be stored by the owners on the property or in the Units.

7.24 Unless at least 75% of the first mortgagees (based upon one vote for each mortgage owned) of Units shall have given their prior written approval, the Association of Unit Owners, either through its Board of Directors or otherwise, shall not be entitled to:

7.24.1 By act or omission, seek to abandon or terminate the condominium regime;

7.24.2 Change the pro rata interest or obligations of any unit for

(a) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; and for

(b) determining the pro rata share of ownership of each Unit in appurtenant real estate and any common elements;

7.24.3 Partition or subdivide any Unit;

7.24.4 By act or omission seek to subdivide, encumber, sell or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Project shall not be deemed a transfer within the meaning of this clause;

7.24.5 Use hazard insurance proceeds for losses to any Project property (whether to units or common elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the Project.

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7.25 Indemnification of Directors. Each member of the Board of Directors of the Association of Unit Owners shall be indemnified from the fund for payment of Common Expenses against all expenses and liabilities, including attorneys' fees reasonably incurred or imposed upon him in connection with any proceedings in which he may be a party or in which he may become involved by reason of his being or having been a member of the Board of Directors, or any settlement thereof, whether or not he is a member of the Board of Directors at the time such expenses are incurred; except, in such cases wherein the member of the Board of Directors is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, in the event of settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Board of Directors.

8.0 Rules of Conduct.

8.0 No resident of the project shall post any advertisements, or posters or signs of any kind in or on the project except as authorized by the Association.

8.2 Residents shall exercise extreme care about creating disturbances, making noises, or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Those keeping domestic animals will abide by the Municipal Sanitary Regulations, leash laws, and rules or regulations of the Association created by the Board of Directors.

8.3 It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades or decks or terraces of the project.

8.4 It is prohibited to hang or shake dust rags, mops, etc., from the windows or porches or terraces, or to clean rugs, mops, etc., by beating on any exterior part of the project.

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8.5 It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas. Garbage and other waste shall be kept in sanitary containers away from public view and regularly disposed of. Nothing shall be done which may constitute a nuisance or aesthetic burden to the neighborhood or other occupants.

8.6 No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association. No window guards, awnings or shades shall be installed without prior consent of the Association Board of Directors.

8.7 No exterior antennas shall be allowed except those installed by the Declarant or the Association, and any replacements thereof.

8.8 Vehicular traffic on the streets and drives within the property will be limited to fifteen (15) miles per hour as a safety precaution. This speed limit shall apply to bicycles, motor scooters, motorcycles, automobiles and trucks.

8.9 Common facilities and play areas, all common garden and patio areas are provided for the use of the owners and their guests, subject, however, to restricted use of those designated as limited common elements. Rules and regulations will be posted setting out the hours the various facilities will be available and the conditions attendant thereto. Compliance with the rules as determined by the Board of Directors is essential to the harmonious operation of the facilities.

8.10 The directors may restrict the use of the general or limited common elements to specific Unit Owners as

may be necessary and reasonable in the overall use of said elements and for the best interest of the condominium as a whole.

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9.0 Registered Agent.

R. B. Sorensen, 15300 S. W. 116th Avenue, King City, Tigard, Oregon 97223 shall be the person designated to receive service of process for the Condominium until such designation shall be amended.

10.0 Non-waiver Provision.

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a Condominium project, as specified under the Oregon Unit Ownership Act. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

11.0 Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

12.0 Effective Date.

This Declaration shall take effect upon recordation.

TUALATIN DEVELOPMENT CO., INC.
an Oregon corporation

By Ronald B. Sorensen
President

By [Signature]
Secretary

"DECLARANT"

Architect's Certificate

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I, Raymond J. Bartel, registered architect do hereby certify that the attached floor plans depict the dimensions and layout of all units in the King City Terrace Condominium, and that construction of said units was completed on or before Oct. 30, 1974.

Raymond J. Bartel

STATE OF OREGON)

County of Multnomah)

SS

October 5, 1974

Personally appeared R. B. Sorensen and Robert Luton who, being first duly sworn, did say that he, R. B. Sorensen is the President and that he, Robert Luton, is the Secretary of Tualatin Development Co., Inc., and that they executed the foregoing instrument on behalf of Tualatin Development Co., Inc. by authority of its Board of Directors and have acknowledged said instrument to be its voluntary act and deed.

Mark J. Sorensen
Notary Public for Oregon
My commission expires: January 16, 1975

The foregoing Declaration is approved: 11-27-74

DONALD MASON
DIRECTOR OF ASSESSMENT AND TAX COLLECTOR
for Washington County, Oregon

By Marion L. Blum

Don't) SMITH, STABIALE
DATE: DECEMBER 4, 1974