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**AMENDED AND RESTATED CONDOMINIUM DECLARATION
FOR
CLEAR HILLS CONDOMINIUM**

Declarant: Clear Hills Condominium Homeowners Association

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**AMENDED AND RESTATED CONDOMINIUM DECLARATION
FOR
CLEAR HILLS CONDOMINIUM**

This Amended and Restated Declaration submits to the provisions, restrictions and limitations of the Oregon Condominium Act, real property hereinafter described (the "Real Property") and all improvements now existing or to be constructed on such real property, to be known as CLEAR HILLS CONDOMINIUM.

RECITALS, INTENT AND PURPOSE

A. Clear Hills Condominium was created by that certain "Declaration of Unit Ownership for Clear Hills" recorded at Book 617, Page 15 of the Official Records of Washington County, Oregon on September 30, 1966, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 625, Page 380 of the Official Records of Washington County, Oregon on November 23, 1966, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 633, Page 174 of the Official Records of Washington County, Oregon on March 14, 1967, as amended by that certain "Second Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 646, Page 139 of the Official Records of Washington County, Oregon on June 14, 1967, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 697, Page 357 of the Official Records of Washington County, Oregon on June 5, 1968, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 706, Page 132 of the Official Records of Washington County, Oregon on July 18, 1968, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 718, Page 83 of the Official Records of Washington County, Oregon on September 30, 1968, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 731, Page 838 of the Official Records of Washington County, Oregon on February 3, 1969, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 795, Page 334 of the Official Records of Washington County, Oregon on October 13, 1970, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 868, Page 215 of the Official Records of Washington County, Oregon on March 19, 1972, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 875, Page 888 of the Official Records of Washington County, Oregon on July 6, 1972, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 886, Page 264 of the Official Records of Washington County, Oregon on September 6, 1972, as amended by that certain "Amendment to Declaration of Unit Ownership for Clear Hills" recorded at Book 941, Page 915 of the Official Records of Washington County, Oregon on August 24, 1973 (collectively, the "Original Declaration").

B. The Association now wishes to amend and restate the Original Declaration on the terms contained herein which shall replace and supersede the Original Declaration. Upon the

recordation of this Amended and Restated Declaration, the Original Declaration will be of no further force or effect.

NOW, THEREFORE,

DECLARATION

Association hereby declares on behalf of the Unit owners, as well as to any and all persons having, acquiring or seeking to have or acquire any interest of any nature whatsoever in and to any part of the Real Property, the following:

1. Definitions. Except as otherwise provided or modified by this Section, the terms contained herein shall have the meaning set forth in the Oregon Condominium Act, ORS 100.005 et seq., and said statute and its definitions are incorporated herein. As used in this Declaration and in the Bylaws (the "Bylaws") of the Clear Hills Condominium Homeowners Association, the following terms shall have the following meanings:

1.1 Association shall mean and refer to the Clear Hills Condominium Homeowners Association which shall be an Oregon nonprofit corporation.

1.2 Condominium means the Real Property, all buildings, and structures constructed thereon and all improvements made thereto, and all easements, rights and appurtenances belonging thereto, all of which are herewith submitted to the provisions of the Oregon Condominium Act.

1.3 Mortgage means a recorded first mortgage, first trust deed or first contract of sale that creates a first lien against a Unit, and "Mortgagee" means the holder, beneficiary or vendor of such a mortgage, trust deed or contract of sale, but only when such holder, beneficiary or vendor notifies the Association in writing of the existence of such mortgage and gives the Association a current name and mailing address.

1.4 Unit means the airspace encompassed by the boundaries more specifically described in Section 3.2 of this Declaration.

2. Real Property Description. The Real Property that is submitted hereunder to the Oregon Condominium Act is located in Washington County, Oregon, and is more particularly described on Exhibit "A." Each Unit owner shall hold fee simple title to the Unit and common elements pertaining thereto.

3. Name and Unit.

3.1 Name. The name by which the Real Property hereunder is known is Clear Hills Condominium.

3.2 Boundaries of Units. The Original Declaration did not specify the boundaries of the Units. As has been the interpretation and practice of the Association since its inception, each Unit is bounded by the exterior surfaces of its exterior siding, exterior doors, roofing, gutters, windows, foundation and all other exterior surfaces of the homes or duplexes.

The Units shall include all elements contained within the Unit boundaries, including, without limitation all exterior siding, exterior doors and door frames, roofing, gutters, windows, foundations, lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, interior and exterior paint, flooring, sub-flooring, concrete slabs, interior windows, if any, interior doors and door frames, all utility service lines and all other fixtures and improvements within the boundaries of the Unit. The duplex Units share the same boundary definition as the detached Units, however each duplex Unit is further defined by a vertical line established at the middle of the demising wall separating each duplex Unit from the adjoining Unit, and extending from the lowest point of the foundation vertically through the roof.

3.3 Site Plan. Recorded as an attachment to the Original Declaration was a site plan showing the outline of the various Units, the boundary lines between the Units and within the limited common element yards and the location of the common elements. The original site plan is difficult to read and in some cases does not accurately reflect the improvements that have been constructed at Clear Hills. In conjunction with creating this Amended and Restated Declaration, the Association has engaged a surveyor to re-draft a site plan of Clear Hills which accurately identifies the location and outline of the Units, the boundary lines of the Units and limited common elements yards and the location and depiction of the common elements. Where still accurate, the revised site plan follows the original site plan, and where the original site plan is no longer accurate, the revised site plan reflects the improvements as-built at Clear Hills. The revised site plan is attached hereto as "Exhibit C" and such plan shall be generally used by the owners and Board to denote the boundaries between Units and common elements and to resolve any boundary disputes.

3.4 Boundary Interpretation. In interpreting deeds, mortgages, deeds of trust and other instruments, for any purpose whatsoever or in connection with any matter, the existing physical boundaries of the Unit or of a Unit reconstructed in substantial accordance with the original plans hereof shall be conclusively presumed to be the boundaries regardless of settling, rising or lateral movement of the building.

3.5 Building Description and Unit Designation. The Condominium has nineteen (19) buildings in which twenty-five (25) Units are located including the pool house. The Condominium buildings are one (1) story, wood frame construction on concrete foundations with plywood siding and cedar or composition shingle roofs. Seven (7) of the buildings are duplexes and eleven (11) of the buildings are single-family homes for a total of twenty-five (25) Units. The number designation and square footage area of the Units is shown below.

The numerical designation, street address, allocation of votes, and percentage of ownership in common elements of each Unit are as follows:

Unit No.	Street Address	Votes Allocated to Each Unit	Percentage of Ownership in Common Elements
5A	7355 SW Eastmoor Terrace	1	1/25 th
5B	7363 SW Eastmoor Terrace	1	1/25 th
6B	7367 SW Eastmoor Terrace	1	1/25 th
6A	7375 SW Eastmoor Terrace	1	1/25 th

Unit No.	Street Address	Votes Allocated to Each Unit	Percentage of Ownership in Common Elements
7B	7382 SW Eastmoor Terrace	1	1/25 th
7A	7390 SW Eastmoor Terrace	1	1/25 th
4B	7398 SW Eastmoor Terrace	1	1/25 th
4A	7406 SW Clear Hills Drive	1	1/25 th
3B	7484 SW Clear Hills Drive	1	1/25 th
3A	7500 SW Clear Hills Drive	1	1/25 th
8B	7515 SW Clear Hills Terrace	1	1/25 th
8A	7523 SW Clear Hills Terrace	1	1/25 th
9B	7534 SW Clear Hills Terrace	1	1/25 th
9A	7542 SW Clear Hills Terrace	1	1/25 th
2B	7552 SW Clear Hills Terrace	1	1/25 th
2A	7572 SW Clear Hills Drive	1	1/25 th
1B	7584 SW Clear Hills Drive	1	1/25 th
1A	7592 SW Clear Hills Drive	1	1/25 th
10A	7617 SW Green Valley Terrace	1	1/25 th
10B	7625 SW Green Valley Terrace	1	1/25 th
A	7633 SW Green Valley Terrace	1	1/25 th
B	7644 SW Green Valley Terrace	1	1/25 th
C	7712 SW Green Valley Terrace	1	1/25 th
D	7756 SW Green Valley Terrace	1	1/25 th
E	7778 SW Green Valley Terrace	1	1/25 th
Total		25	100%

4. General Common Elements.

4.1 Definition. The general common elements consist of all portions of the Condominium that are not part of a Unit or a limited common element, including, without limitation, the following:

4.1.1 The land which is not limited common element yards;

4.1.2 The private roads within Clear Hills, the entrance monument and associated landscaping, the sidewalks, curbs, street lights, post lamps, mailboxes, common area landscaping, street trees, perimeter fencing, perimeter walls, retaining walls which were originally installed by the developer of Clear Hills, the swimming pool and pump house/restroom building;

4.1.3 All water and sewer lines to the point at which each line enters a building containing a Unit and all irrigation lines and controls which irrigate the limited common element yards and common areas throughout the Condominium;

4.1.4 All other elements of any building or recreational facility that are not limited common elements or Units and that are necessary or convenient to its existence, maintenance and safety or that are normally in common use.

4.2 Income From General Common Elements. Any income derived from the common elements shall be income of the Association. The Board of Directors may, in its discretion, use such income to help meet the expense of maintaining the common elements or for such other purpose as may benefit the Association and the Unit owners in a substantially equal manner.

5. Limited Common Elements. The following shall constitute limited common elements, the use of which shall be restricted to the Units to which they pertain:

5.1 Definitions.

5.1.1 All front, back and side yards that adjoin the Units, including all decks, patios and all other improvements located within the yards, except perimeter fencing, perimeter greenery, the original retaining walls described in "Exhibit D," and all common landscaping and hardscape.

5.1.2 All driveways and sidewalks giving access to the Units.

6. Voting. The owner or co-owners of each Unit shall be entitled to one (1) vote per Unit. "Majority" or "Majority of Unit Owners" shall mean the owners of more than fifty percent (50%) of the voting rights allocated to the Units by the Declaration. The calling and conducting of meetings of the Association and the exercise of voting rights shall be controlled by Articles 2 and 3 of the Bylaws.

7. Use of Property.

7.1 General. Except as provided in the Bylaws, each Unit shall be used for residential purposes only. The common elements shall be used for furnishing of services and facilities to Unit owners. Every Unit owner shall have an easement to enjoy and use the general common elements in the manner for which they were intended. Additional uses, restrictions and regulations shall be set forth in the Bylaws and rules or regulations adopted pursuant to the provisions of the Bylaws or this Declaration.

7.2 Maintenance of General and Limited Common Elements. As more specifically described in the Bylaws, the maintenance and repair of the private streets, entrance monument and associated landscaping, sidewalks, curbs and street trees, swimming pool, post lamps, mailboxes, perimeter fencing and walls, perimeter greenery, the original retaining walls described in "Exhibit D," and the pump house/restroom building shall be the responsibility of the Association. In addition, the Association shall be responsible for the maintenance and repair of the water and sewer lines, up to the point that each line enters a home or duplex, and the underground sprinkler system, including the controls that irrigate each lawn within Clear Hills. The maintenance, repair and replacement of all limited common element yards, decks or patios, driveways and sidewalks and all utility lines except water and sewer lines which serve the Units shall be maintained by the individual Unit owners. The Unit owners who live in the duplex

buildings shall be obligated to cooperate in the maintenance, repair and upkeep of the exterior elements of their buildings as set forth in the Bylaws. General rules of law pertaining to party walls shall apply to the upkeep and maintenance of any shared walls within the duplex buildings.

7.3 Rules and Regulations Promulgated by the Association. The Board of Directors shall have the authority from time to time to promulgate such rules and regulations as the Board may deem to be in the best interest of the Association. No person shall use the common elements, the Units or any part thereof in any manner contrary to or inconsistent with such rules and regulations. Without limiting the generality of the foregoing, the Board of Directors shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the common elements to the members of the Association and their respective families, guests, invitees and contractors. Such use may be conditioned upon, among other things: (a) the payment by the Unit owner of assessments for common expenses and such other assessments or fees as may be established by the Association for the purpose of defraying the costs associated with the use of such common elements and the administration and operation of the Condominium property; and (b) the observance by the Unit owner and his guests, invitees and contractors, of the provisions of the Declaration, the Bylaws and the Association's rules and regulations of the Bylaws or this Declaration. The Board of Directors shall have the authority to fine such owners who are not in compliance with the rules and regulations. The amount and the procedure to impose such fines shall be subject to a fine and fee procedure established by Board resolution, as may be periodically amended.

7.4 Right of Ingress and Egress. Each Unit owner shall have a perpetual right of ingress and egress to and from the owner's Unit. This right shall pass to all successors in interest to the Unit when the Unit is transferred voluntarily, involuntarily, or by operation of law. Any attempt to transfer voluntarily or involuntarily any common element ownership interest separately from the transfer of the Unit to which such interest pertains shall be void.

8. Bylaws; Association; Management.

8.1 Adoption of Bylaws. The Association hereby adopts the Bylaws attached hereto as Exhibit "B" to govern the administration of the Condominium. The Bylaws shall be effective upon the execution and recording of the Bylaws and this Declaration.

8.2 Association; Membership. The name of the Association is Clear Hills Condominium Homeowners Association. Each owner of a Unit in the Condominium shall be a member of the Association, and membership therein shall be limited to Unit owners only. The Association, which shall be organized upon the recording of the Declaration and the Bylaws, shall serve as a means through which the Unit owners may take action with regard to the administration, management and operation of the Condominium. The Association shall be an Oregon nonprofit corporation.

8.3 Management; Board of Directors. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws. The Board of Directors shall elect officers consisting of a chairperson, secretary and treasurer, and such other officers as the Board of Directors deems prudent or convenient. Pursuant to the provisions of the Bylaws and the Oregon Condominium Act, the Board of Directors may adopt administrative rules and

regulations governing details of the operation, maintenance and use of the Condominium property. The Board of Directors may contract with a professional manager or management firm to manage some or all of the affairs of the Association.

8.4 Powers and Duties of the Association. The Association and the Board of Directors shall have the powers and duties granted to them by this Declaration, the Articles of Incorporation for the Association, the Bylaws, and ORS 100.405(4) and all other provisions of the Oregon Condominium Act.

8.5 Covenant to Pay Assessments; Liability for Common Expense. Each owner hereby covenants to pay to the Association annual assessments for common expenses as more fully provided in the Bylaws. No owner may avoid liability for assessments by abandonment of his Unit or non-use of the common elements. Except as otherwise provided in this Declaration or the Bylaws, each Unit and the owner thereof shall be liable for the common expenses and funding of the replacement reserves, both of which shall be apportioned among the Units based upon each Unit's percentage of ownership in the common elements allocated to such Unit (1/25th per Unit). Certain services provided through the Association, if applicable, may be billed on a per Unit basis rather than on the basis of 1/25th percentage ownership. No offset against any assessment shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties. No Unit owner may offset amounts owing or claimed to be owing by the Association to the Unit owner.

8.6 Delegation. Nothing in this Declaration shall be construed to prohibit the Association or the Board of Directors from delegating to persons, firms or corporations of its choice the performance of such duties as may be imposed upon the Association or the Board of Directors by this Declaration, Articles of Incorporation, the Bylaws, Association rules or regulations, or applicable law.

9. Service of Process. The designated agent to receive service of process in cases set forth in ORS 100.550(1) shall be named in the Condominium Information Report, which shall be filed with the Oregon Real Estate Agency in accordance with ORS 100.250(1).

10. Mortgagees. In the event of a conflict between this Section 10 and other provisions of this Declaration, the provisions of this Section 10 shall prevail. The terms "Mortgage" and "Mortgagee" are defined in Section 1 of this Declaration.

10.1 Notice of Action. Upon the written request of a Mortgage holder, insurer, or guarantor to the Association, identifying the name and address of such person and the number or address of the Unit on which a Mortgage has been placed, such Mortgagee, insurer or guarantor shall be entitled to timely notice of the following:

10.1.1 Any condemnation loss or casualty loss that affects either a material portion of the Condominium or any Unit securing its Mortgage;

10.1.2 Any sixty (60) day delinquency in the payment of assessments or fees owed by an owner of any Unit on which it holds a Mortgage;

10.1.3 Any lapse, cancellation or material modification of any insurance policy maintained by the Association;

10.1.4 Any proposed action that would require the consent of a specified percentage of eligible Mortgage holders.

10.2 Mortgagee Exempt From Certain Restrictions. Any Mortgagee that comes into possession of the Unit pursuant to the remedies provided in the Mortgage, by foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal" or other restriction on the sale or rental of the mortgaged Unit, including, but not limited to, restrictions on the age of Unit occupants and restrictions on the posting of signs pertaining to the sale or rental of the Unit. Provided, however, that Mortgagees shall not be exempt from the restriction that Units cannot be rented for periods of fewer than thirty (30) days.

10.3 Subordination of Association Lien to Mortgage; Discharge of Lien Upon Foreclosure. Except as otherwise provided by law, the lien of the Association shall be subordinate to any first Mortgage. Subject to the procedural requirements of the Oregon Condominium Act, any first Mortgagee that comes into possession of the Unit pursuant to the remedies provided in the Mortgage, by foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure, and any purchaser at the foreclosure sale of a first Mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue before such Mortgagee comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units, including the mortgaged Unit).

10.4 Professional Management. Upon the written request of holders of first Mortgages that represent at least fifty-one percent (51%) of the votes of mortgaged Units in the Condominium, the Board of Directors shall employ a professional manager to manage the affairs of the Association. Without the prior written approval of the holders of first Mortgages that represent at least fifty-one percent (51%) of the votes of mortgaged Units in the Condominium, the Association may not terminate professional management and assume self-management of the Condominium. Additionally, if professional management has previously been required by any Mortgage holder, any such decision to establish self-management shall require prior consent of the owners of Units to which sixty-seven percent (67%) of the votes in the Association are allocated. Any agreement for professional management shall provide that the management contract may be terminated for cause on thirty (30) days' written notice.

10.5 Consent of Mortgagees to Change Percentage Ownership in Common Elements. The Unit owners may not reallocate the percentage of interest in the common elements attributable to any Unit without the prior written approval of holders of first Mortgages that represent at least fifty-one percent (51%) of the votes of mortgaged Units with respect to which the percentage of ownership is proposed to be altered. Nothing in this Section 10.5 shall be construed to give the owners, the Association, or the Board of Directors, any specific authority to alter such percentage of ownership and, if any attempt is made to do so, full compliance shall be made with the Declaration, the Association's Articles of Incorporation, Bylaws and the Oregon Condominium Act.

10.6 Consent of Mortgagees Required to Terminate Project. Except with respect to termination of the Condominium as a result of destruction, damage or condemnation, any termination of the Condominium shall require the written approval of holders of first Mortgages that represent at least sixty-seven percent (67%) of the votes of mortgaged Units in the Condominium. Provided, however, such consent will be deemed given if a Mortgagee does not object in writing within sixty (60) days after notice of the proposed termination. Additionally, any such terminations shall be carried out by the owners pursuant to provisions of the Declaration, the Association's Articles of Incorporation, the Bylaws and the Oregon Condominium Act and shall be carried out only after vote of the owners, as provided in such provisions.

10.7 Limited Right of Amendment. Except upon the written approval of holders of first Mortgages that represent at least fifty-one percent (51%) of the votes of Mortgaged Units in the Condominium, no amendment that adds to or amends any material provision that establishes, provides for, governs or regulates any of the following may be made to the Declaration or the Bylaws:

- 10.7.1** voting rights;
- 10.7.2** increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or the priority of common elements;
- 10.7.3** reductions in reserves for maintenance, repair, and replacement of common elements;
- 10.7.4** responsibility for maintenance and repairs;
- 10.7.5** reallocation of interests in the general or limited common elements, or rights to their use;
- 10.7.6** redefinition of any Unit boundaries;
- 10.7.7** convertibility of Units into common elements or vice versa;
- 10.7.8** except as provided in this Declaration, expansion or contraction of the Condominium project, or the addition, annexation, or withdrawal of property to or from the Condominium project;
- 10.7.9** hazard or fidelity insurance requirements;
- 10.7.10** imposition of any restrictions on the leasing of Units;
- 10.7.11** imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- 10.7.12** restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the documents; or

10.7.13 any provisions that expressly benefit Mortgage holders, insurers, or guarantors.

The provisions of this section are intended to limit only the right of the Unit owners, the Board of Directors and the Association to amend the Declaration and the Bylaws, and are not intended to give any such parties any specific rights to effect any amendments. Any amendments to the Declaration or the Bylaws shall be made only upon full compliance with the provisions of the Declaration, the Bylaws and the Oregon Condominium Act relating to the procedure and percentage of votes required for such amendment. An addition or amendment to the Declaration or the Bylaws shall not be considered to be material so as to require the consent or approval of Mortgagees, if its purpose is to correct technical errors or to clarify unclear language.

10.8 Request for Approval of Mortgagees. Any Mortgagee that receives a written request to approve additions or amendments to the Declaration or the Bylaws, or any other action to be taken by the Board of Directors, the Association or Unit owners shall be considered to have given such approval unless such Mortgagee delivers or posts a negative response within sixty (60) days after receipt of such request.

10.9 Proxy Held by Mortgagee in Certain Cases. If a Mortgagee reasonably believes that the Association has failed to maintain the common elements so as to prevent excessive wear and tear, such Mortgagee may attend a meeting of the Association and may cast the vote of the Mortgagor of the Unit on which such Mortgagee holds a Mortgage if the proposal under consideration concerns painting or otherwise maintaining the common elements, including imposing special assessments necessary to pay for such maintenance. Provided, however, such right shall arise only in the event the Mortgagee reasonably believes the Association has failed to maintain the common elements in sufficient manner to prevent excessive wear and tear.

10.10 Right to Examine Documents. The Association shall make available to Unit owners, lenders and Mortgagees current copies of the Declaration, the Bylaws, the Articles of Incorporation, other rules concerning the Condominium, and the books, records and financial statements of the Association. The Association shall have the right to impose a reasonable charge for any copies requested by owners, lenders or Mortgagees.

10.11 Right to Receive Annual Reports. The holder of any Mortgage on a Unit in the Condominium shall be entitled to have an audited financial statement prepared at their expense if such statement is not otherwise available. The Association and its officers, directors and manager (if any), shall cooperate with such Mortgage holders and their auditors to facilitate the necessary auditing and review process. Such financial statement shall be furnished within a reasonable time following request.

10.12 Right to Receive Written Notice of Meetings. Upon a Mortgagee's written request, the Association shall give all Mortgagees written notice of all meetings of the Association, and such Mortgagees shall be permitted to designate a representative to attend all such meetings.

10.13 List of Mortgagees. The Association shall maintain at all times a list of Mortgagees who have given the Association notice on any matter described in Section 10 of this Declaration, which list shall include their names, addresses, the Units and mortgagors affected, and the matters with respect to which such Mortgagees have requested notice, provided that such information has been furnished to the Association by the owners or their Mortgagees.

11. Amendments to Declaration. Except where a larger percentage of approval is required by law, this Declaration may be amended from time to time by approval of Unit owners holding seventy-five percent (75%) or more of the voting rights as otherwise set forth in this Declaration. Provided, however, that this Declaration shall not be amended to reduce or eliminate the rights of any Mortgagee without all such Mortgagees' prior written consent.

11.1 Recordation/County Assessor and Commissioner Approval Required. An amendment to the Declaration shall be effective upon recordation in the Deed Records of Washington County, Oregon, certified to by the chairperson and secretary of the Association and approved by the Washington County Assessor and the Oregon Real Estate Commissioner. Approval by the Commissioner shall not be required for an amendment to a declaration transferring the right of use of a limited common element pursuant to ORS 100.515(5).

12. Subdivision. No Unit may be subdivided into divisions of any nature.

13. Authority to Grant Easements, Rights-of-Way, Licenses and Other Similar Interests/Encroachments.

13.1 General. The Association shall have the authority to execute, acknowledge, deliver and record easements, rights-of-way, licenses and other similar interests affecting the general common elements and to consent to vacation of roadways within or adjacent to the Condominium as provided by ORS 100.405(6). An instrument granting any such interest or vacating any such roadway shall be executed by the chairperson and secretary of the Association, shall be acknowledged in the manner provided for acknowledgment of such instruments by such officers, and shall state that such grant was approved by the minimum required vote of the owners or Board of Directors required by ORS 100.405(6).

13.2 Utility Easements; Dedications. Anything in this Declaration to the contrary notwithstanding, the Association shall have the right to execute, deliver and record on behalf of itself and the Unit owners such documents as may be required to grant easements, rights-of-way and licenses over the common elements for the installation, maintenance and repair of public utilities serving the Condominium or adjacent property. The Association shall also have the right to execute, deliver and record on behalf of the Association and the Unit owners such deeds and other documents as may be required to convey, dedicate, or grant such easements, rights-of-way or licenses over common elements, as may be required by any government or governmental agency.

13.3 Encroachments. There shall be an easement for any encroachment of the common elements on any Unit or an encroachment of any Unit on the common elements or another Unit arising from the original construction, reconstruction, authorized repair, shifting, settling or other movement of any portion of the condominium improvements. Such easements

shall exist indefinitely and may be terminated only by the voluntary act of the party who benefits from the easement(s).

13.4 Blanket Easement Benefiting Individual Owners. Each owner in the condominium shall have an easement through and over the general common elements for the purposes of constructing a concrete pad and locating a heat pump or similar equipment to provide heating ventilation and air-conditioning services to the Unit. Such installation may only penetrate common elements immediately adjacent to the Unit and shall be located under the deck or immediately next to the building in which the Unit is located. The owner shall be responsible for maintenance, repair and replacement and the ultimate removal of the installed system and the pad. If the owner fails to maintain the system in a reasonable manner, the Association may do so to remove the system and charge the expense to the owner as a reimbursement assessment. If the Unit is located in an area other than under the deck, it shall be appropriately screened with landscaping material. The actual location of the pad and system shall in each case be subject to prior approval of the Board of Directors which approval shall not be unreasonably withheld.

14. General Provisions.

14.1 Interpretation. The rights and obligations of all members of the Association and any person dealing with the Association or any of its members with respect to matters pertaining to the Declaration, Articles of Incorporation, or the Bylaws shall be interpreted in accordance with and governed by the laws of the State of Oregon.

14.2 Severability. Each provision of the Declaration, the Articles of Incorporation and the Bylaws shall be independent and severable. The invalidity or partial invalidity of any provision thereof shall not affect any of the remaining portions of that or any other provision of this Declaration or the Bylaws.

14.3 Waiver of Rights. The failure of the Association, the Board of Directors, an officer or a Unit owner to enforce any right, provision, covenant or condition provided in the Declaration, Articles of Incorporation or the Bylaws shall not constitute a waiver of the right of any such party to enforce such right, provision, covenant or condition in the future.

14.4 Legal Proceedings. Failure to comply with any of the terms of the Declaration, Articles of Incorporation, the Bylaws and any rules or regulations adopted thereunder shall be grounds for relief, which may include, without limitation, fining the noncomplying owner, bringing an action to recover money due, damages or a suit for injunctive relief, or an action to foreclose a lien, or any combination thereof. Relief may be sought by the Association, Board of Directors, an officer, a professional manager or management firm, or, if appropriate, by an aggrieved Unit owner.

14.5 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit owner to comply with the terms and provisions of this Declaration (as amended or supplemented), the Bylaws (as amended), Articles of Incorporation, rules and regulations adopted under the Bylaws, or the Oregon Condominium Act, the prevailing party shall be entitled to recover the cost of the proceedings and such reasonable attorneys' fees as may be determined by the trial court in any trial or by the appellate court in any appeal thereof. In

addition, the Association shall be entitled to recover costs and attorneys' fees incurred by it to collect delinquent assessments or fines, or to enforce the terms of the Declaration, Bylaws or any rules or regulations promulgated thereunder whether or not any action or suit is filed.

14.6 Compliances. Each Unit owner shall comply with the provisions of the Declaration, Articles of Incorporation, and the Bylaws, and with the administrative rules and regulations adopted thereunder, and with all other applicable covenants, conditions and restrictions of record. Failure to comply therewith shall be grounds for suit or action, maintainable by the Association or any Unit owner in addition to other sanctions that may be provided by the Bylaws or by any existing administrative rules and regulations.

14.7 Conflicting Provisions. In the event of a conflict between or among the provisions of the Declaration, the Articles of Incorporation of the Association, the Bylaws and any administrative rules and regulations, the provisions of the Declaration shall be paramount to those of the Articles, Bylaws and the rules and regulations, and the Articles shall be paramount to the Bylaws and the rules and regulations and those of the Bylaws shall be paramount to the rules and regulations. For purposes of this Section 14.7, the term "Declaration" shall include all amendments to this Declaration, and the term "Bylaws" shall include all amendments to the Bylaws.

14.8 Section and Paragraph Captions. Section and paragraph captions shall not be deemed to be a part of this Declaration unless the context otherwise requires. In construing this Declaration, if the context so requires, the singular shall be taken to mean and to include the plural, the masculine shall be taken to mean and to include the feminine and the neuter and, generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to individuals, trusts, estates, personal representative, trustees and corporations.

(SIGNATURES AND ACKNOWLEDGMENTS ON FOLLOWING PAGE)

Chairperson – Dana Cress

STATE OF OREGON)
County of _____) ss. _____, 2021

Notary Public for Oregon

STATE OF OREGON)
) ss. _____, 2021
County of _____)

Notary Public for Oregon

The foregoing Declaration is approved pursuant to ORS 100.110 this _____ day of _____, 2021; and, in accordance with ORS 100.110(7), this approval shall automatically expire if this Declaration is not recorded within two (2) years from this date.

REAL ESTATE COMMISSIONER

By: _____

The foregoing Declaration is approved pursuant to ORS 100.110 this _____ day of _____, 2021.

WASHINGTON COUNTY ASSESSOR

By: _____

05218-00001:1390536

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY SUBJECT TO THIS DECLARATION

Clear Hills Condominium, City of Portland, County of Washington, Oregon, Lots A, B, C, D, E, F, 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, and all interest in the common elements of the Condominium.

EXHIBIT B

**AMENDED AND RESTATED BYLAWS OF CLEAR HILLS HOMEOWNERS
ASSOCIATION**

EXHIBIT C

SITE PLAN

EXHIBIT D

DEPICTION OF ORIGINAL RETAINING WALLS