

Declarations

Table of Contents

Declarations	1
Table of Contents	1
1. DEFINITIONS.....	3
1.1. "Association"	3
1.2. "Bylaws"	3
1.3. "Condominium"	3
1.4. "Declarant"	3
1.5. "Declaration"	4
1.6. "Eligible Mortgage Insurer or Guarantor"	4
1.7. "Eligible Mortgagee Holder"	4
1.8. "Mortgage" and "Mortgagee"	4
1.9. "Plat"	4
1.10. "Incorporation by Reference"	4
2. SUBMISSION OF PROPERTY TO CONDOMINIUM STATUTE.....	4
3. NAME OF CONDOMINIUM	5
4. UNITS	5
4.1. General Description of Buildings.	5
4.2. General Description.	5
4.3. Boundaries of Units.....	5
5. GENERAL COMMON ELEMENTS.....	5
6. LIMITED COMMON ELEMENTS.....	6
7. ALLOCATION OF UNDIVIDED INTERESTS IN COMMON ELEMENTS.....	6
8. COMMON PROFITS AND EXPENSES: VOTING	6
8.1. Allocation of Common Profits and Expenses.....	6
8.2. Allocation of Voting Rights.....	7
9. SERVICE OF PROCESS	7
10. USE OF PROPERTY	7
11. MAINTENANCE OF COMMON ELEMENTS.....	7
11.1. Responsibility of Maintenance.	7
11.2. Mortgagee's rights upon Failure to Maintain.....	7

11.3. Rights of City Upon Failure to Maintain.....	8
11.4. Indemnification.	8
12. EASEMENTS	8
12.1. In General.....	8
12.2. Encroachments.....	9
12.3. Granting of Easements by Association.....	9
12.4. Right of Entry.	9
13. APPROVAL BY MORTGAGEES (13).....	10
13.1. Notice of Action.	10
13.2. Termination and Amendment to Documents.	10
13.3. Additional Approvals.....	11
13.4. Notice to First Mortgagees of Defaults. (13.4).....	12
14. ASSOCIATION OF UNIT OWNERS	12
14.1. Organization.....	12
14.2. Membership: Board of Directors.....	12
14.3. Powers and Duties.....	12
14.4. Adoption of Bylaws, Declarant Control of Association.....	12
15. PLAN OF DEVELOPMENT	12
15.1. Maximum Number of Units.....	13
15.2. Termination Date.....	13
15.3. Additional Common Elements.....	13
15.4. Allocation of Interests in Common Elements.....	13
15.5. Legal Description of Additional Stages.....	13
16. AMENDMENT	13
16.1. How Proposed.....	13
16.2. Approval Required.....	14
16.3. Recordation.....	14
17. MISCELLANEOUS.....	14
17.1. Severability.....	14
17.2. Duration.....	14
17.3. Termination.....	15
18. APPLICABILITY.....	15

**DECLARATION SUBMITTING
COTTAGES AT HASTINGS GREEN, A CONDOMINIUM
TO CONDOMINIUM OWNERSHIP**

THIS DECLARATION, pursuant to the provisions of the Oregon Condominium Act, is made and executed this 3rd day of December, 2002. by HASTINGS GREEN LLC, an Oregon limited liability company ("Declarant").

A. Declarant proposes to create a condominium to be known as Cottages at Hastings Green, A Condominium, which will be located in the City of Portland, Multnomah County, Oregon. The purpose of this Declaration is to submit the property described in the attached Exhibit A to the condominium form of ownership and use in the manner provided by the Oregon Condominium Act.

B. This Declaration supersedes and replaces that certain proposed Declaration Submitting Cottages at Hastings Green, A Condominium to Condominium Ownership recorded November 19, 2001 in the Records of Multnomah County, Oregon, as Document No. 2001-184811.

NOW, THEREFORE, Declarant does hereby declare and provide as follows:

1. DEFINITIONS

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

1.1. "Association"

means the association of unit owners established pursuant to Article 14 below.

1.2. "Bylaws"

means the Bylaws of Association of Unit Owners of Cottages at Hastings Green. A Condominium adopted pursuant to Section 13.4 below as the same may be amended from time to time.

1.3. "Condominium"

means all of that property submitted to the condominium form of ownership by this Declaration plus any additional property annexed to the project pursuant to Article 15 below.

1.4. "Declarant"

means Hastings Green LLC, an Oregon limited liability company, and its successors and assigns.

1.5. "Declaration"

means this Declaration as the same may hereafter be amended and any supplemental declaration annexing property to the Condominium.

1.6. "Eligible Mortgage Insurer or Guarantor"

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

1.7. "Eligible Mortgagee Holder"

means a holder of a first mortgage on a unit who has requested notice of certain matters from the Association in accordance with Section 13.1 below. but shall not include a contract vendor.

1.8. "Mortgage" and "Mortgagee"

means, respectively, a recorded mortgage, trust deed or contract of sale which creates a lien against a unit, and the holder, beneficiary or vendor of such a mortgage, trust deed or contract of sale.

1.9. "Plat"

means the plat of Stage 1 of Cottages at Hastings Green, A Condominium recorded simultaneously with the recording of this Declaration.

1.10. "Incorporation by Reference"

Except as otherwise provided in this Declaration, each of the terms defined in ORS 100.095, a part of the Oregon Condominium Act, shall have the meanings set forth in such section.

2. SUBMISSION OF PROPERTY TO CONDOMINIUM STATUTE

The property submitted to the Oregon Condominium Act by this Declaration is held by Declarant and conveyed by Declarant in fee simple estate. The land submitted is located in the City of Portland, Multnomah County; Oregon, and is more particularly described in the attached Exhibit A. The property submitted includes the land so described, all buildings, improvements and structures, all easements, and rights and appurtenances located on, belonging to or used in connection with such land.

3. NAME OF CONDOMINIUM

The name by which the Condominium shall be known is "**Cottages at Hastings Green, A Condominium.**"

4. UNITS

4.1. General Description of Buildings.

Stage 1 contains 10 buildings of dwelling units and two garage buildings. Each of the dwelling buildings contains one and two-story components, without basement. The buildings are of wood frame construction with cedar siding and composition shingle roofs.

4.2. General Description.

Location and Designation of Units. Stage 1 consists of 10 units. The designation, location, description of boundaries and area in square feet of each unit are shown on the Plat and the attached Exhibit B.

4.3. Boundaries of Units.

Each unit shall be bounded by and include the outside of the exterior sheathing of its outside exterior walls and roof, the exterior surface of windows, doors, the foundation, any chimneys and other projections from the roof, and a bottom boundary at the level of the base of the foundation footing, and everything encompassed thereby, including, without limitation, all spaces, partitions, windows, doors, fixtures, improvements and utility and communication lines, such that the unit will encompass the entire building, exclusive of the land, the finished siding and trim, and the surface roofing material.

5. GENERAL COMMON ELEMENTS

The general common elements consist of all portions of the Condominium that are not part of a unit or a limited common element, including, but not limited to, the following:

5.1 The land, pathways, driveways, ground, maintenance closet, mail boxes and garage structures, except parking spaces within garages which are designated as limited common elements by Article 6 below.

5.2 Finished siding and trim, and surface roofing material.

5.3 Pipes, conduits, wires and other utility and communication systems located outside of the unit and limited common element yards or serving more than one unit.

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

6. LIMITED COMMON ELEMENTS

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

6.1 All porches, balconies and private yards, including landscaping, fences, walkways and porches therein, each of which shall pertain to the unit which is adjoins as shown on the Plat.

6.2 Parking spaces within garage structures designated as limited common elements in the Plat, each of which shall pertain to the unit indicated in the attached Exhibit C.

7. ALLOCATION OF UNDIVIDED INTERESTS IN COMMON ELEMENTS

Each unit shall be entitled to an undivided ownership interest in the common elements determined by the ratio by which the approximate area of the particular unit bears to the total approximate area of all units combined, as shown on the attached Exhibit B. Such allocation will change if additional stages are added to the Condominium as is more particularly described in Section 15.4 below. Each unit's interest in the common elements shall be inseparable from the unit and my conveyance, encumbrance, judicial sale, or other transfer, voluntary or involuntary, of an undivided interest in the common elements shall be void unless the unit to which that interest is allocated is also transferred.

8. COMMON PROFITS AND EXPENSES: VOTING

8.1. Allocation of Common Profits and Expenses.

The common profits and common expenses of the Condominium shall be allocated to the owner of each unit according to the allocation of undivided interest of such unit in the common elements. Water and sewer charges will be allocated based upon usage as evidenced by submeters for each unit. Except upon termination of the Condominium or as otherwise provided in the Bylaws with respect to damage, destruction or condemnation, any such common profits shall be used

solely for the purpose of maintaining, repairing and replacing the common elements or for other expenses or reserves of the Association.

8.2. Allocation of Voting Rights.

Each unit owner shall be entitled to one vote in the affairs of the Association and for the purposes of this Declaration for each unit owned by such owner. The method of voting shall be as specified in the Bylaws.

9. SERVICE OF PROCESS

The designated agent to receive service of process in cases provided in subsection (1) of ORS 100.550 is named in the Condominium Information Report which has been filed in accordance with ORS 100.250(l)(a).

10. USE OF PROPERTY

Each unit is to be used for residential purposes as described in the Bylaws. Additional limitations on use are contained in the Bylaws and the rules and regulations adopted pursuant to the Bylaws. Each unit owner shall be bound by each of such documents.

...

11. MAINTENANCE OF COMMON ELEMENTS

11.1. Responsibility of Maintenance.

The necessary work to maintain, repair or replace the general common elements shall be the responsibility of the board of directors of the association to the extent provided in the Bylaws. Responsibility for the maintenance of the units and limited common elements shall be as allocated in the Bylaws.

11.2. Mortgagee's rights upon Failure to Maintain.

If the mortgagee of any unit determines that the board of directors is not providing an adequate maintenance, repair and replacement program for the common elements, such mortgagee, at its option, may give a notice to the board of directors by delivering same to the registered agent, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 90 days subsequent to receipt of such notice, then the mortgagee, upon written notice TO the registered agent that it is exercising its proxy rights, shall have the right to attend succeeding annual or special meetings

of the Association and to cast a vote for each unit on which it holds a mortgage on all business coming before such meeting. Such proxy rights shall continue until the defects listed on the notice are corrected.

11.3. Rights of City Upon Failure to Maintain.

The provisions of this Declaration and of the Bylaws regarding the maintenance, repair and replacement of the common elements shall be deemed to be for the benefit of the City of Portland, as well as the unit owners, and the City may enforce such provisions by appropriate proceedings at law or in equity. Without limitation to the foregoing, the City may deliver a written notice to the board of directors by delivering the same to the registered agent, setting forth the particular defect which it believes exists in the maintenance, repair and replacement program. If the specified defects are not corrected within 39 days after receipt of the notice, or, if such correction cannot reasonably be completed within such time, the Association fails within such time to commence and pursue the correction with reasonable diligence, then the City may take necessary curative action. In such event, the cost of correction by the City shall constitute a lien against each unit and its interest in the common elements based upon such unit's share of the common expenses as provided in this Declaration.

11.4. Indemnification.

The owners of the Condominium shall hold harmless, defend and indemnify the City of Portland and the City's officers, agents and employees against all claims, demands, actions and suits, including attorneys' fees and costs brought against any of them arising out of the failure to properly maintain the open spaces and general common elements on the Condominium that are the subject of this Declaration. All workers hired to perform maintenance work on common elements or open spaces at the Condominium shall have standard commercial general liability insurance in a reasonable amount from a registered insurance company that protects each unit owner. Each unit owner shall release and indemnify the other unit owners against all liability for injury to an owner, member of the owner's family, or resident of an owner's home for injury or for property damage that results from any undertaking pursuant to this Declaration.

12. EASEMENTS

12.1. In General.

Each unit has an easement in and through each other unit and the common elements for all utility, wiring, heat, plumbing, and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of the Condominium. In addition, all the common elements are specifically subject to easements as required for the electrical wiring and plumbing for each unit. The specific mention or reservation of any easement in this Declaration

does not limit or negate the general easement for common elements reserved by law. Each unit owner has an unrestricted right of ingress and egress to his or her unit. This right is perpetual and passes with the ownership of the unit.

12.2. Encroachments.

Each unit and all common elements shall have an easement over all adjoining units and common elements for the purpose of accommodating any present or future encroachment as a result of engineering errors, construction, reconstruction, repairs, settlement, shifting, or movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection as long as the physical boundaries of the units are in substantial accord with the description of those boundaries that appears in the Declaration. There shall be valid easements for the maintenance of the encroaching units and common elements so long as the encroachments shall exist, and the rights and obligations of owners shall not be altered in any way by the encroachment. This provision does not relieve a unit owner of liability in the case of willful misconduct of the unit owner, or relieve Declarant or any contractor, subcontractor or materialman from any liability as a result of failure to adhere to the Plat. The Encroachments described in this Section 12.2 shall not be construed to be encumbrances affecting the marketability or title to any unit.

12.3. Granting of Easements by Association.

Pursuant to ORS 100.405(5), the Association, upon prior approval of 75 percent of the voting power of the unit owners, may grant, execute, acknowledge, deliver and record on behalf of the unit owners leases, easements, rights-of-way, licenses, and similar interests in excess of two years affecting the common elements and consent to vacation of roadways within and adjacent to the Condominium. Any such instrument shall be executed by the chairperson and secretary of the Association. No such interest may be granted with regard to a limited common element unless the owners and mortgagees of the units having the right to use such limited common element consent to and join in the instrument granting the interest.

12.4. Right of Entry.

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

the Bylaws, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner.

13. APPROVAL BY MORTGAGEES (13)

13.1. Notice of Action.

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

- (a) Any condemnation or casualty loss which affects a material portion of the Condominium or effects the unit securing its mortgage.
- (b) Any 60 day delinquency in the payment of assessments or charges owed by an owner of any unit on which it holds the mortgage.
- (c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.
- (d) Any proposed action which would require consent of a specified percentage of eligible mortgage holders as required by this article.

13.2. Termination and Amendment to Documents.

- (a) The approval of eligible holders holding mortgages on units which have at least 67 percent of the voting rights of units subject to eligible holder mortgages shall be required to terminate the legal status of the project as a condominium for reasons other than substantial destruction or condemnation of the property.
- (b) Except when a greater percent is required by the Declaration or Bylaws, or a greater or lesser percent is required by the Oregon Condominium Act, the consent of the owners of units holding at least 67 percent of the voting rights and the approval of eligible holders holding mortgages on units which have at least 51 percent of the voting rights of the units subject to eligible holder mortgages shall be required for any amendments of a material nature to the Declaration or Bylaws. Any amendment to the Declaration or Bylaws which changes any of the following shall constitute a material change:
 - (1) Voting rights;
 - (2) Increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%). assessment liens or the priority of such liens;
 - (3) Reduction in reserves for maintenance, repair and replacement of the common elements;
 - (4) Responsibility for maintenance and repairs;
 - (5) Reallocation of interests in the general limited common elements, or rights to their use, except as otherwise provided in Section 6.2 or -Article 15;

- (6) The boundaries of any unit;
 - (7) Convertibility of units into common elements or of common elements into units;
 - (8) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium, except as provided in Article 15:
 - (9) Hazard or fidelity insurance requirements;
 - (10) Imposition of any restrictions on the leasing of units;
 - (11) imposition of any restriction on the right of a unit owner to sell or transfer his or her unit;
 - (12) Restoration or repair of the Condominium (after damage or partial condemnation) in 2 manner other than specified in this Declaration or the Bylaws;
 - (13) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or
 - (14) Any provisions that expressly benefit mortgage holders, insurers or guarantors.
- (c) An addition or amendment to the Declaration or Bylaws shall not be considered material: for purposes of Section 13.2(b) if it is for the purpose of correcting technical errors. or for clarification only. Any eligible mortgage holder who receives a written request to approve any termination, additions or amendments and who does not deliver or post to the requesting party a negative response within 30 days shall after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, return receipt requested, be deemed to have approved such request.

13.3. Additional Approvals.

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

- (a) Abandonment or termination of the Condominium regime
- (b) Except as otherwise provided in Section 15.4, any change in the pro rata interest or obligations of any individual unit for (a) purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each unit in the common elements.
- (c) The partition or subdivision of any unit
- (d) Abandonment, partition, subdivision, encumbrance, sale or transfer of the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause.
- (e) Use of hazard insurance proceeds for losses to any condominium property, whether to units or to common elements, for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the units and/or common elements of the condominium project.

13.4. Notice to First Mortgagees of Defaults. (13.4)

Any first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by the owner of the mortgaged unit of any obligation under this Declaration, the rules and regulations or the Bylaws which is not cured within 50 days.

14. ASSOCIATION OF UNIT OWNERS

14.1. Organization.

Upon the recording of this Declaration an association of unit owners shall be organized to serve as a means through which the unit owners may take action with regard to the administration, management and operation of the Condominium. The name of this association shall be "**Association of Unit Owners of Cottages at Hastings Green, A Condominium,**" and the Association shall be an Oregon nonprofit corporation.

14.2. Membership: Board of Directors.

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

14.3. Powers and Duties.

The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, including each of the powers set forth in ORS 100.205(1), together with such additional powers and duties afforded it by this Declaration or the Bylaws .

14.4. Adoption of Bylaws, Declarant Control of Association.

Upon the execution and the recording of this Declaration, Declarant shall adopt Bylaws for the Association, which Bylaws are attached as Exhibit E. Declarant specifically reserves the right to control the Association by appointing the interim directors of the Association until the organizational and turnover meeting of the Association has been held and the unit owners have elected regular directors as provided in Sections 2.2 and 3.4 of the Bylaws. In addition, Declarant shall have the right to consent to any amendment to the Declaration or the Bylaws as provided in Section 16.2 below and Section 9.2 of the Bylaws.

15. PLAN OF DEVELOPMENT

The Condominium may be developed in stages. By recording this Declaration, Declarant hereby submits Stage 1 to the Condominium form of ownership. Declarant reserves the right to add

additional stages to the Condominium and to annex such additional stages by recording supplements to this Declaration pursuant to OR5 100.120, together with a plat of the stages being annexed bearing a completion certificate as required by ORS 100.120 and 100.115. Any such additional stage shall be consistent with Stage 1 in structure type and quality of construction, and all improvements shall be substantially completed prior to annexation.

15.1. Maximum Number of Units.

If fully developed, the Condominium shall contain not more than 23 units.

15.2. Termination Date.

No additional stage may be added more than seven years after the recording of this Declaration. Such date may be extended for a period not to exceed two years by an amendment adopted pursuant to Section 16.2.

15.3. Additional Common Elements.

Declarant does not propose to include in future stages any common elements which would substantially increase the proportionate amount of the stages common expenses payable by owners of units in Stage 1.

15.4. Allocation of Interests in Common Elements.

The allocation of undivided interests in the common elements of units in Stage 1 will change if additional stages are annexed to the Condominium. Such allocation shall be determined by the ratio of the approximate area of each unit compared to the total approximate area of all units then existing in the Condominium.

15.5. Legal Description of Additional Stages.

A legal description of the property upon which the additional stages would be located is included in the attached Exhibit D.

16. AMENDMENT

16.1. How Proposed.

Amendments to the Declaration shall be proposed by either a majority of the board of directors or by unit owners holding thirty percent (30%) or more of the voting rights. The proposed

amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or attached to any request for consent to the amendment.

16.2. Approval Required.

Except as may otherwise be provided in this Declaration or by the Oregon Condominium Act, this Declaration may be amended if such amendment is approved by unit owners holding 75 percent of the voting rights of the Condominium and by mortgagees to the extent required by Article 13. Declarant's prior written consent shall also be required until annexation of the last stage of the Condominium and so long as Declarant owns 25 percent or more of the total number of units which Declarant may submit to the Condominium, but no such consent shall be required after five years from the date of conveyance of the first unit to a person other than Declarant. Except as provided in Article 15 and except as otherwise permitted by the Oregon Condominium Act, no amendment may change the size, location, allocation or undivided interest in the common elements, method of determining liability for common expenses, right to common profits, or voting rights of any unit unless such amendment has been approved by the owners and mortgagees of the affected unit. Any amendment which would limit or diminish any special Declarant rights established in this Declaration, including the right of Declarant to annex additional stages under Article 15, or the Bylaws shall require the written consent of Declarant.

16.3. Recordation.

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

17. MISCELLANEOUS

17.1. Severability.

Each provision of this Declaration and the Bylaws shall be deemed independent and severable, and the validity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision of this Declaration or the Bylaws.

17.2. Duration.

This Declaration shall continue in perpetuity. This Declaration is intended to and does attach to and run with the land affected herein. This Declaration is binding on the undersigned owner.

Hastings Green LLC, and all persons claiming under it. It is the intent of Hastings Green LLC to create a continuing obligation and right on the part of themselves and subsequent owners of the subject condominium units.

17.3. Termination.

The owners may not modify, withdraw from or dissolve this Declaration without the written approval of the City of Portland. If this Declaration is being executed, in whole or in part, to satisfy a condition of approval attaching to the subject property, the City of Portland may require such condition to be modified before permitting this Declaration to be dissolved or permitting a party to withdraw from this Declaration.

18. APPLICABILITY

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