ESTABLISHING A PLAN FOR
COMMUNITY OWNERSHIP

WHEREAS, J. Eugene Popham and Lorraine R. Popham, husband and
wife, (hereinafter referred to as "Grantor") own certain real property
herein described; and

WHEREAS, said Grantor has improved said property by constructing
thereon one nine-unit, one six-unit, one five-unit and one four-unit multi-
family structures including attached garages having been constructed in
accordance with plans and specifications prepared by Marvin Witt, Architect,
said plans being on record in the City Building Inspectors Office of the
City of McMinnville, State of Oregon; and

WHEREAS, said Grantor hereby establishes by this declaration a
plan for the individual ownership of the real property estates consisting
of the area of space contained in each of the apartment units in said
multi-family structures, and the co-ownership by the individuals and
separate owners thereof, as tenants in common, of all of the remaining
real property which is hereinafter defined and referred to herein as the
"common areas and facilities."

NOW THEREFORE, said Grantor, the fee simple owner of the
following described real property, to wit:

Being a part of the John G. Baker Donation Land Claim #48 and
the M. Shadden Claim in Township 4 South, Range 4 West of the Willamette
Meridian in Yamhill County, Oregon, which is further described as
follows:

Beginning at a point which is the Southwest corner of said John
Baker D.L.C.; thence from said beginning point N. 89°11'50" W. along the
north line of the Solomon Beary D.L.C. 239.87 feet to an iron pipe; thence
N. 0°01'44" E. 197.59 feet to an iron pipe; thence S. 29°47'43" E. 769.88
feet to an iron pipe; thence S. 16°42' E. 209.10 feet to an iron pipe in
the south line of the John Baker D.L.C.; thence along said south line
N. 89°47'50" W. 590.22 feet to the point of beginning, Yamhill County,
Oregon hereby makes the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the above described real property and improvements thereon, consisting of one nine-unit, one six-unit, one five-unit and one four-unit multi-family structures, attached garages and appurtenances, may be put, hereby specifying that said declaration shall constitute a covenant to run with the land and shall be binding on said Grantor, its successors and assigns, and all owners of all or any part of said real property and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns:

A. Said Grantor, in order to establish a plan of condominium ownership for the above-described property and improvements, hereby covenants and agrees that it hereby divides said real property into the following separate freehold estates to be collectively known as THE MANORS AT MICHELBOOK.

1. The twenty-four separately designated and legally described freehold estates consisting of the spaces or areas contained in the perimeter walls of each of the twenty-four apartment units in said one nine-unit, one six-unit, one five-unit and one four-unit multi-family structures constructed on said property, said spaces being defined, and referred to herein, as "apartment spaces."

B. For the purpose of this declaration, the ownership of each "apartment space" shall include the respective undivided interest in the common areas and facilities specified and established in "E" hereof, and each "apartment space" together with the undivided interest is defined and established hereinafter referred to as "family unit."

C. A portion of the "common areas and facilities" is hereby set aside and allocated for the restricted use of each individual "apartment space," as is hereinafter designated, and as shown on survey attached hereto, and said areas shall be known as "restricted common areas and facilities."

-2-
D. The twenty-four individual "apartment spaces" hereby established and which shall be individually conveyed are described as follows:

Building No. 1: (Building No. 1 is that six-plex single story structure including six double attached garages which is the westerly building on this property.) The principal materials from which it is constructed are lumber, gypsum board, brick masonry and concrete per plans and specifications as filed with the City of McMinnville Building Inspector's Office.

Unit No. 1 (Most Westerly Unit)

Description: Two bedrooms, two bathrooms, living room, kitchen, entry hall, dining area, utility room, attic storage area, fence enclosed south side garden patio area plus north and northwest side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior South side garden patio area, plus approximately 173 square feet of North and Northwest exterior patio area, plus approximately 475 square feet of garage area.

Unit No. 2 (Next Unit East of Unit No. 1)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed South side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior South side garden patio area, plus approximately 92 square feet of exterior north side patio area, plus approximately
Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area, plus approximately 290 square feet of exterior north side patio area, plus approximately 475 square feet of garage area.

Unit No. 6 (Next Unit East of Unit No. 5)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, with attached double garage, all on one general floor level.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area, plus approximately 92 square feet of exterior north side patio area, plus approximately 475 square feet of garage area.

Building No. 2: (Building No. 2 is that four-plex, two story structure with attached garages which is located directly East of Building No. 1.) The principal materials from which it is constructed are lumber, gypsum board, brick masonry and concrete per plans and specifications as filed with the City of McMinnville, Building Inspectors office.

Unit No. 1 (Most Westerly Unit)

Description: Two bedrooms, (north side bedroom with balcony area), two bathrooms on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached single garage.
Area: Approximately 1,437 square feet of inside finished living area on two floors, plus north side balcony area on second floor, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area, plus approximately 277 square feet of garage area.

Unit No. 2 (Next Unit East of Unit No. 1)

Description: Two bedrooms, two bathrooms on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached single garage.

Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area, plus approximately 277 square feet of garage area.

Unit No. 3 (Next Unit East of Unit No. 2)

Description: Three bedrooms, one bathroom plus one bathroom with double vanity dressing room on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and 1/2 bath on the first floor with an enclosed patio on the south side plus patio area on the north side plus attached double garage.

Area: Approximately 1,798 square feet of inside finished living area on two floors, plus approximately 405 square feet south side patio area plus approximately 100 square feet of north side patio area, plus approximately 475 square feet of garage area.
Unit No. 4 (Next Unit East of Unit No. 3)

Description: Three bedrooms (North side bedroom with balcony area), one bathroom plus one bathroom with dressing room, plus utility room on the second floor with attic storage area above. Living room, dining area, kitchen, family room, entry hall plus half bath on the first floor with a fence enclosed patio area on the east side plus patio area on north side plus attached double garage.

Area: Approximately 2,165 square feet of inside finished living area on two floors, plus approximately 242 square feet west side patio area plus approximately 96 square feet of north side patio area plus approximately 475 square feet of garage area.

Building No. 3: (Building No. 3 is a nine-plex, one and two story structure with attached garages which is located directly East of Building No. 2.) The principal materials from which it is constructed are lumber, gypsum board, brick masonry and concrete per plans and specifications as filed with the City of McMinnville, Building Inspectors office.

Unit No. 1 (Most Westerly Unit)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area plus approximately 95 square feet of exterior north side patio area, plus approximately 475 square feet of garage area.
Unit No. 2 (Next Unit East of Unit No. 1)
Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area plus approximately 92 square feet of exterior north side patio area, plus approximately 475 square feet of garage area.

Unit No. 3 (Next Unit East of Unit No. 2)
Description: Three bedrooms, two bathrooms on the second floor with storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached garage.

Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area. Plus approximately 277 square feet of garage area.

Unit No. 4 (Next Unit East of Unit No. 3)
Description: Three bedrooms, two bathrooms on the second floor with storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached garage.

Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area. Plus approximately 277 square
feet of garage area.

Unit No. 5 (Next Unit East of Unit No. 4)
Description: Three bedrooms, two bathrooms on the second floor with storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached garage.
Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 95 square feet of north side patio area. Plus approximately 277 square feet of garage area.

Unit No. 6 (Next Unit East of Unit No. 5)
Description: Two bedrooms, two bathrooms on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached single garage.
Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 95 square feet of north side patio area. Plus approximately 277 square feet of garage area.

Unit No. 7 (Next Unit East of Unit No. 6)
Description: Two bedrooms, two bathrooms on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached single garage.
Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area. Plus approximately 277 square feet of garage area.

Unit No. 8 (Next Unit East of Unit No. 7)

Description: Two bedrooms, two bathrooms on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and one 1/2 bath on the first floor with a fence enclosed patio on the south side plus patio area on the north side plus attached single garage.

Area: Approximately 1,437 square feet of inside finished living area on two floors, plus approximately 294 square feet south side patio area plus approximately 90 square feet of north side patio area. Plus approximately 277 square feet of garage area.

Unit No. 9 (Next Unit East of Unit No. 8)

Description: Three bedrooms, one bathroom plus one bathroom with double vanity dressing room on the second floor with attic storage area above. Living room, kitchen, dining-family area, utility room and 1/2 bath on the first floor with an enclosed patio on the south side plus patio area on north side plus attached double garage.

Area: Approximately 1,798 square feet of inside finished living area on two floors, plus approximately 405 square feet south side patio area plus approximately 100 square feet of north side patio area. Plus approximately 475 square feet of garage area.
Building No. 4: (Building No. 4 is that five-plex, one story structure with attached garages which is located directly East of Building No. 3.) The principal materials from which it is constructed are lumber, gypsum board, brick, masonry and concrete per plans and specifications as filed with the City of McMinnville, Building Inspectors office.

Unit No. 1 (Most Westerly Unit)

Description: Two bedrooms, two bathrooms, living room, kitchen, entry hall, dining area, utility room, attic storage area, fence enclosed south side garden patio area, plus north and northwest side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area plus approximately 173 square feet of exterior north and northwest patio area, all on one general floor level, plus approximately 475 square feet of garage area.

Unit No. 2 (Next Unit East of Unit No. 1)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area plus approximately 92 square feet of exterior north side patio area, plus approximately 475 square feet of garage area.
Unit No. 3 (Next Unit East of Unit No. 2)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area, plus approximately 92 square feet of exterior north side patio area, all on one general floor level, plus approximately 475 square feet of garage area.

Unit No. 4 (Next Unit East of Unit No. 3)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.

Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 280 square feet of exterior south side garden patio area, plus approximately 92 square feet of exterior north side patio area, all on one general floor level, plus approximately 475 square feet of garage area.

Unit No. 5 (Next Unit East of Unit No. 4)

Description: Two bedrooms, two bathrooms, living room, kitchen, dining area, utility room, attic storage area and fence enclosed south side garden patio area, north side patio area, all on one general floor level, with attached double garage.
Area: Approximately 1,322 square feet of inside finished living area and all attic storage area, plus approximately 290 square feet of exterior south side garden patio area, plus approximately 92 square feet of exterior north side patio area, all on one general floor level, plus approximately 475 square feet of garage area.

E. The undivided interest in the "common areas and facilities" hereby established and which shall be conveyed with each respective "apartment space" is as follows:

**Building No. 1:**

<table>
<thead>
<tr>
<th>Unit No.</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>No. 1</td>
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<tr>
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<td>No. 3</td>
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<td>No. 4</td>
<td>3.9%</td>
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<td>No. 5</td>
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<td>5.9%</td>
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**Building No. 3:**

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<tr>
<th>Unit No.</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 1</td>
<td>3.9%</td>
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<tr>
<td>No. 2</td>
<td>3.9%</td>
</tr>
<tr>
<td>No. 3</td>
<td>4.1%</td>
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Building No. 4:

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<th>Percentage</th>
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</thead>
<tbody>
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<td>3.9%</td>
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<tr>
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<td>4</td>
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<tr>
<td>5</td>
<td>3.9%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(*) The above respective undivided interests established and to be conveyed with the respective "apartment spaces" as indicated above, cannot be changed, and said Grantor, its successors and assigns, and grantees covenant and agree that the undivided interests in the "common areas and facilities" and the fee title to the respective "apartment spaces" conveyed therewith, shall not be separated or separately conveyed, and each said undivided interest shall be deemed to be conveyed or encumbered with its respective "apartment space" even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the "apartment space."

F. The "limited common areas and facilities" allocated for the restricted uses of each individual "apartment space" are as follows: The black-top parking as delineated as parking on the attached Exhibit "C". Said parking area is for guest parking purposes or for exclusive use of the "apartment space" where and as designated on said Exhibit "C".

G. That attached hereto and made a part hereof as Exhibit "C" is a survey building plan consisting of one sheet as prepared by Harold C. Booth and George Wright, Registered Professional Land Surveyors, dated 12-1-69.

H. Said Grantor, its successors and assigns, by this declaration, and all future owners of the "family units", by their acceptance of their deeds, covenant and agree as follows:

1. That the "common areas and facilities" shall remain undivided; and no owner shall bring any action for partition, it being
agreed that this restriction is necessary in order to preserve
the rights of the owners with respect to the operation and man-
age of the condominium.

2. That the "apartment spaces" shall be occupied and used by the
respective owners only as a private dwelling for the owner,
his family, tenants and social guests and for no other purpose.

3. The owner of the respective "apartment spaces" shall not be
deemed to own the undecorated and/or unfinished surfaces of the
perimeter walls, floors and ceilings surrounding his respective
"apartment space", nor shall said owner be deemed to own pipes,
pipes, conduits or other public utility lines running through
said respective "apartment spaces" which are utilized for, or
serve more than one "apartment space", except as tenants in
common with other "family unit" owners as heretofore provided
in "E". Said owner, however, shall be deemed to own the walls
and partitions which are contained in said owner's respective
"apartment space", and also shall be deemed to own the inner
decorated and/or finished surfaces of the perimeter walls,
floors and ceilings, including plaster, paint, wallpaper, etc.

4. That if any portion of the "common area and facilities" en-
croaches upon the "apartment spaces", 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 multi-family
structure is partially or totally destroyed, and then rebuilt,
the owners of "apartment spaces" agree that minor encroachment
of parts of the "common areas and facilities" due to construction
shall be permitted and that valid easement for said encroachment
and the maintenance thereof shall exist.

5. That an owner of a "family unit" shall automatically, upon
becoming the owner of a "family unit or units", be a member of
THE MANORS AT MICHELDOCK CONDOMINIUM ASSOCIATION, hereinafter
referred to as the "Association", and shall remain a member of
said Association until such time as his ownership ceases for any
reason, at which time his membership in said Association shall automatically cease.

6. That the owners of "family units" covenant and agree that the administration of the condominium shall be in accordance with the provisions of this Declaration, the By-Laws of the Association which are made a part hereof and attached as Exhibit "B".

7. That each owner, tenant or occupant of a "family unit" shall comply with the provisions of this Declaration, the By-Laws, decisions and resolutions of the Association or its representative, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action for damages to recover sums due, or for injunctive relief, the prevailing parties being entitled to attorneys' fees.

8. That this Declaration shall not be revoked or any of the provisions herein amended unless 75% of the owners and the mortgagees of all of the mortgages covering the "family units" unanimously agree to such revocation or amendment by duly recorded instruments.

9. That no owner of a "family unit" may exempt himself from liability for his contribution towards the common expenses by waiver of the use of enjoyment of any of the common areas and facilities or by the abandonment of his "family unit."

10. That the owners of "family units" covenant and agree that each such owner will keep his unit in good repair, at his own expense, and will maintain his unit in such a way that it will not interfere with the right of the other unit owners to quietly enjoy the use and occupancy of their respective units and the common elements.

11. All sums assessed by the Association, but unpaid, for the share of the common expenses chargeable to any family unit, shall constitute a lien on such family unit prior to all other liens except only (1) tax and assessment liens on the family unit in favor of any assessing unit and special district, and (2) all sums unpaid on the first mortgage of record. Notice of such lien shall be recorded as provided by
O.R.S. 91.580. Such lien may be foreclosed by suit by the manager acting on behalf of the Association of unit owners, in a manner conforming as nearly as possible to the proceedings to foreclose liens created by O.R.S. 87.010. In any such foreclosure the family unit owner shall be required to pay a reasonable rental for the family unit, and the attorneys' fees of the Association, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The manager, acting on behalf of the Association of unit owners, shall have power, unless prohibited herein, to bid on 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, and the prevailing party shall be entitled to its attorneys' fees.

J. Where the mortgagee of a first mortgage of record or other purchaser of a family unit obtains title to the unit as a result of a foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such family unit which became due prior to the date of the acquisition of title to such family unit by such acquirer. After such date, such common expenses shall be collectible from all of the family units including such acquirer, his successors and assigns.

K. The respective "family units" shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the "family unit" are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the owners of the respective "family units" shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the By-Laws.
L. In the event the property subject to this Enabling Declaration is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the property shall be as provided by O.R.S. 91.660.

M. In a voluntary conveyance of a family 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 of the Association 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 family 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.

N. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in Chapter 541, Oregon Laws 1963, this Declaration or in the By-Laws, shall be deemed to be binding on all owners of family units, their successors and assigns.

O. The Manager shall obtain and continue in effect blanket property insurance in form and amounts satisfactory to mortgagees holding first mortgages covering family units but without prejudice to the right of the owner of a family unit to obtain individual family unit insurance.

P. That insurance premiums for any blanket insurance coverage shall be a common expense to be paid by monthly assessments levied by the Association of Owners; and that such payments shall be held in a separate escrow account of the Association of Owners and used solely for the payment of the blanket property insurance premiums as such premiums become due.
Q. So long as said Grantor, its successors and assigns, owns one or more of the family units established and described herein, said Grantor, its successors and assigns shall be subject to the provisions of this Declaration and of the Exhibits attached hereto; and said Grantor covenants to take no action which would adversely affect the rights of the Association with respect to assurances against latent defects in the property or other right assigned to the Association by reason of the establishment of the condominium.

R. The terms "Declaration" and "Condominium Ownership" as used herein shall mean and include the terms "Master Deed" and "Apartment Ownership" respectively.

S. Service of process in the cases provided in subsection (1) of O.R.S. 91.635 may be served upon J. Eugene Popma; 1700 S.W. Fourth Avenue, Portland, Oregon 97201, who is hereby designated to receive said service.

[Signatures]

J. Eugene Popma
Lorraine R. Popma

STATE OF OREGON  
County of Multnomah)

Personally appeared the above named J. EUGENE POPMA and LORRAINE R. POPMA, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

STATE OF OREGON,  
County of Yamhill,

I, JACK BEELER, County Clerk in and for said County, and State, do hereby certify that the within instrument was received and has been duly recorded on Page 151 of the Records of Deeds for said County, in Volume 151, Page 78, of the Records of Deeds for said County, in the Records of Deeds for the State of Oregon, and that I am authorized to act as Deputy State of Oregon.
ARTICLE I
PLAN OF APARTMENT OWNERSHIP

Section 1. Apartment Ownership. The project located at 1225-1229-1233 through 1271 Michelle Lane, unit or condominium, State of Oregon, known as HARCES AT MICHELSBOO CONDOMINIUM is submitted to the provisions of Chapter 59, Oregon Laws 1963.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the project. (The term "project" as used herein shall include the land.)

Section 3. Personal Application. All present or future owners, tenants, future tenants, employees, or any other person that may use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws.

The purchase, acquisition or rental of any of the family units (hereinafter referred to as "units") or the more act of occupancy of any of said units will signify that these By-Laws are accepted, ratified, and will be complied with.

ARTICLE II
VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the family unit or units in the Enabling Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "majority" of owners shall mean those owners holding 51% of the votes in accordance with the percentages assigned in the Enabling Declaration.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III
ADMINISTRATION

Section 1. Association Responsibility. The owners of the units will constitute the Association of Owners (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association will require approval by a majority of owners.
Section 2. Place of Meetings. Meetings of the Association shall be held at
the principal office of the project or such other suitable place convenient
to the owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The annual meetings of the Association shall
be held on the third Tuesday of March of each year. At such meetings there
shall be elected by ballot of the owners a Board of Directors in accordance
with the requirements of Section 5 of Article IV of these By-Laws. The owners
may also transact such other business of the Association as may properly come
before them.

Section 4. Special Meetings. It shall be the duty of the President to call a
special meeting of the owners as directed by resolution of the Board of Directors
or upon a petition signed by a majority of the owners and having been presented
to the Secretary. The notice of any special meeting shall state the time and
place of such meeting and the purpose thereof. No business shall be transacted
at a special meeting except as stated in the notice unless by consent of four
fifths of the owners present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail
a notice of each annual or special meeting, stating the purpose thereof as
well as the time and place where it is to be held, to each owner of record
at least five but not more than ten days prior to such meeting. The mailing
of a notice in the manner provided in this Section shall be considered notice
cerved.

Section 6. Adjourned Meetings. If any meeting of owners cannot be organised
because a quorum has not been present, the owners who are present, either in person
or by proxy, may adjourn the meeting to a time not less than forty-eight (48)
hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the
owners of units shall be as follows:

(a) Roll call.
(b) Reading of minutes of preceding meeting.
(c) Reports of officers.
(d) Report of Federal Housing Administration representative, if present.
(e) Reports of committees.
(f) Election of inspectors of election.
(g) Election of directors.
(h) Unfinished business.
(i) New business.
BOAD OF DIRECTORS

Section 1. Powers and Qualifications. The affairs of the Association shall be conducted by a Board of Directors composed of three persons, all of whom shall be owners of units in the project.

Section 2. Powers and Duties. The Board of Directors shall have the power and duty necessary for the administration of the affairs of the Association and may do all such acts and things as are left by law or by these By-Laws to be exercised and done by the owner.

Section 3. Other duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

(a) Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.

(b) Collection of monthly assessments from the owners.

(c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, and the common areas and facilities.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at the compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Election and Term of Office. At the first annual meeting of the Association the term of office of one Director shall be fixed for three (3) years. The term of office of one Director shall be fixed at the (2) year, and the term of office of one Director shall be fixed at the (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and held their first meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may then be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.
Section 9. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, personally or by mail, telephone or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three Directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice to him of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transacting of business; and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary-Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association, shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.
Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so as an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility of Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all money and other valuable effects in the name, and to the credit of, the Association in such depositaries as may from time to time be designated by the Board of Directors.

ARTICLE VI

OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project common expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricanes, fire, earthquakes or other hazards. The assessments shall be made pro rata according to the value of the unit owned, as stipulated in the Enabling Declaration.

Section 2. Maintenance and Repair.
(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be at the owner's expense.

(c) An owner shall reimburse the Association for any expenditure incurred in repairing or replacing any common area and facility damaged through his fault.

Section 3. Use of Family Units - Internal Changes.
(a) All units shall be utilized for residential purposes only.

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President of the Board of Directors if no management is employed. The Association shall have the obligation to answer within forty-five days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.
Section 4. Use of Common Areas and Facilities and Restricted Common Areas

(a) No owner shall place or cause to be placed in the lobbies, vestibules, stairways, elevators, and other project areas and facilities of a similar nature, both common and restricted, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.

(b) An owner shall permit other owners, or their representatives, when so required, to enter the 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 owner. In case of emergency, such right of entry shall be immediate.

Section 5. Rules of Conduct

(a) No resident of the project shall post any advertisement, or posters of any kind in or on the project except as authorized by the Association.

(b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Municipal Sanitary Regulations.

(c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.

(d) It is prohibited to drape rugs, etc., from the window, or to clean rugs, etc., by beating on the exterior part of the project.

(e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

(f) No owner, resident or lessee shall install wiring for electrical or telephone installations, television antennas, machines or air conditioning units, etc., on the exterior of the project or that protrudes through the walls or the roof of the project except as authorized by the Association.

ARTICLE VII

COMMON EXPENSES

Section 1. Method of Collection. The Board of Directors shall appoint one or more persons, responsible to the Directors, who shall submit monthly to each owner a written statement of the common expenses for the preceding month, and the amount thereof for which such owner is liable. Each owner shall have thirty (30) days in which to pay such statement; and if it is not paid within the time specified, the Board of Directors shall take whatever action it deems necessary, consistent with the Declaration and By-Laws.

Section 2. Authorization of Common Expenses and Approval of Vouchers.

(a) Vouchers covering public utility expenses and other similar recurring common expenses may be paid upon the approval of the President or the Treasurer.

(b) Non-recurring items of common expense totaling less than Twenty Dollars ($20.00) may be authorized by any officer. Vouchers covering such items may be paid upon the approval of the President and the Treasurer.
(c) Except as provided in subsection (a), items of common expense totalling Twenty Dollars ($20.00) or more, but less than One Hundred Dollars ($100.00), may not be authorized or incurred, and the vouchers covering such item may not be paid, except by the affirmative vote of a majority of the Directors.

(d) Except as provided in subsection (a), items of common expense totalling One Hundred Dollars ($100.00) or more, may not be authorized or incurred, except by the affirmative vote of a majority of the Directors at a meeting held in accordance with the provisions of Article III. No vouchers covering such item shall be paid except by the affirmative vote of a majority of the Directors.

ARTICLE VIII

AMENDMENTS TO PLAN OF APARTMENT OWNERSHIP

Section 1. By-Laws. These By-Laws may be amended by the Association at any duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least 75% of the total value of all units in the project as shown in the Enabling Declaration.

ARTICLE IX

MORTGAGES

Section 1. Notice to Association. An owner who mortgages his unit, shall notify the Association through the Management Agent, if any, or the President of the Board of Directors in the event there is no management agent, the name and address of his mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units."

ARTICLE X

COMPLIANCE

These By-Laws are set forth to comply with the requirements of Chapter 561, Oregon Laws 1963.

In case of any of these By-Laws conflicting with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

STATE OF OREGON, No. 2745

County of Yamhill

I, JACK BEALE, County Clerk of said County and State, do hereby certify that the within Instrument of Writing was duly recorded and has been duly recorded on Page 662 of Volume 79 of the Records of said County on this 26th day of March, A. D. 1965, at 10 o'clock, Z.T.

In testimony whereof, I have hereunto subscribed my name and affixed my Official Seal.

JACK BEALE, County Clerk

By: Sara Copeland

Deputy
I, MARVIN WITT, Registered Professional Architect, prepared the drawings and plans of the one nine-unit, one six-unit, one five-unit and one four-unit multifamily structures known as APARTS AT MICHELHOEK, and located at 1225-1227 through 1271 Michelbook Lane, City of McMinnville, State of Oregon and do declare that they depict substantially the layout of the buildings and floors of the buildings and of the units and that said buildings were substantially completed on March 20, 1970 according to said plans and specifications.

Marvin Witt, Architect
This Declaration made this 27th day of January, 1970, by J. D. O'NEILL FORMA and LEONARD B. FORMA, husband and wife, hereinafter called the Declarant.

The Declarant, the fee simple owner of the real property described, hereby declares that said property shall be held, transferred, conveyed, and occupied subject to the conditions, covenants, restrictions, reservations and easements hereinafter set forth, each and all of which shall be for the benefit of all of said property and for each owner thereof, shall apply to, bind and control the successors in interest and any use thereof.

I. DESCRIPTION OF PROPERTY

The property subject to this declaration is described as follows:

Being a part of the John O. Baker Donation Land Claim No. 28 and the M. Shaeden Claim in Township 4 South, Range 4 West of the Willamette Meridian in Yamhill County, Oregon, which is further described as follows:

Beginning at a point which is the Southerly corner of said John Baker D.L.C.; thence from said beginning point N. 69° 11'50" E. along the north line of the Solomon Berry D.L.C. 239.57 feet to an iron pipe; thence N. 89°01'44" E. 197.59 feet to an iron pipe; thence S. 89°44'17" W. 769.88 feet to an iron pipe; thence S. 16°42' E. 209.16 feet to an iron pipe in the south line of the John Baker D.L.C.; thence along said south line N. 89°44'15" W. 590.22 feet to the point of beginning, Yamhill County, Oregon.

II. USES OF PROPERTY

1. Residential Use: No building or other structure shall be constructed, erected, altered or maintained upon any portion of the subject property which shall be used, designed or intended to be used for any purpose other than for residence apartments or for use in connection therewith, and no portion of subject property shall be used for any purpose other than for
residences apartment purposes; subject, however, to the provisions as to community facilities, easements and right of way.

2. **Building Setback Limits and Height Limits:** No building, structure, grade, or excavation shall be constructed, used, maintained or made closer to any exterior line (front, rear or side) of any apartment site embraced within any portion of said property covered by this declaration than is permitted by the Master at National Condominium Association, and no building or structure shall be constructed, altered, used or maintained upon any such site, of a height in excess of that authorized by said Association, nor shall any grade or excavation be made upon said property or any part thereof which does not conform to the depth, slope and area permitted by said Association.

**III. OTHER RESTRICTIONS**

1. **Children:** No children are allowed on a permanent basis who are under 18 years of age in Building Number 1.

2. **Animals and Poultry:** The raising and/or keeping of cattle, horses, sheep, rabbits, pigs, hogs, cats, dogs and/or other animals, poultry, birds and/or reptiles, either in the singular or plural number, for pleasure or for commercial gain upon any part of said property is prohibited, except that dogs, cats, and other household pets may be kept in a residence apartment for pleasure and not for commercial purposes, provided that they are not allowed to run loose on community facilities and that they do not become a nuisance to other owners and/or occupants of property subject to the control of the Association, and if and when declared to be a nuisance by any two members of the Association, such dog, cat or other household pet or pets shall be forthwith removed from the subject property.

3. **Rubbish and Debris:** No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of said property and no odor shall be permitted to arise therefrom which is or may be detrimental to any of the property in the vicinity thereof or the occupants thereof, and so
license shall be permitted to exist or operate upon any portion of said property which is offensive or detrimental to any property in the vicinity thereof or to its occupants.

6. Clothes Drying: Unless otherwise approved by Declarant, or the Association, no clothes, sheets, blankets or other articles shall be hung out to dry or for any other purpose on any part of said property or within the private walled open-yard area of any residence apartment or within the community utility yards.

5. Condition and Repair: No building or structure upon any property covered by this declaration shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair and adequately painted.

6. Interior of Residence Apartments: The owner of each residence apartment shall keep the interior of the same and all fixtures and appliances within same in good order and repair and shall not do or permit of suffer anything to be done in such residence apartment which will or may have a tendency to increase the rate of fire insurance on the building containing the same or the contents thereof; he shall comply with all laws, ordinances, rules and regulations promulgated by any competent governmental authority and all ground rules now or hereafter promulgated by the Association pursuant to the By-Laws and Declaration thereof with respect in occupancy and use of each residence apartment and the community facilities.

IV. CONSTRUCTION AND AMENDMENT

1. Singular and Plural: In construing this declaration and where the context so requires, the singular includes the plural and the plural includes the singular.

2. Severability: Invalidation of any provision hereof shall in no way affect any of the other provisions which shall remain in full force and effect.
STATE OF OREGON

County of Yamhill

I, JACK BEFL, R. County Clerk in and for said County and State, do hereby certify that the within Instrument of Writing was received and has been duly recorded on page 27 of Volume 9211 of the Records of Deeds for said County, on this 27th day of April, A.D. 1970, at 10 o'clock A.M.

I have hereunto subscribed my name, and have affixed my Official Seal.

JACK BEFL, County Clerk

By: DARL...
AMENDMENT TO PROTECTIVE DEED RESTRICTIONS

Manors at Michelbook Condominiums

We, the owners of units in Michelbook Manors, a condominium, amend the Covenants, Conditions and Restrictions recorded at film volume 79, page 421, Deed and mortgage records, Yamhill County, Oregon for the present purpose of preserving the Manors at Michelbook as owner-occupied residences and not as mere investments, both for the community identity it fosters and to protect the property values of the owners. We recognize, however, that after occupying the property for an extended period of time, and establishing a connection with and a commitment to the Manors at Michelbook community, an owner may need to rent a unit on a short term, temporary basis. To accommodate this temporary short term need of an owner, consistent with our strong intention to preserve the Manors at Michelbook as owner-occupied residences without allowing ownership to degenerate into commercial investments, the covenants, Conditions and Restrictions are amended as follows:

1. The units shall be occupied by an owner or owner's family, only, except as specifically allowed below.

2. The owner is defined as a person holding fee title or a contract vendee. The owner's family is defined as the spouse, parents, the descendants of an owner, plus spouses of a parent or descendant.

3. If the property is owned by a trust, both the trustee and the then current income beneficiaries are considered owners for the purpose of this provision.

4. Upon moving out of a unit an owner may, if necessary, rent that unit for one year only. Any exception to this must be approved of by the board. The only reason for granting an exception to the one year rent rule shall be for hardship.

5. When a new owner purchases a unit in the Manors at Michelbook that owner shall not use it for a rental. The owner may move into the unit or leave it vacant.

6. Passage of this restriction does not nullify any rental or lease agreement now in place between a condominium owner and a tenant.

STATE OF OREGON )
County of Yamhill ) as,

Joyce C. McDonough

On this 23rd day of May, 1994, before me, personally known, who being duly sworn, did say that she, the said Joyce McDonough, is the Secretary, Treasurer of Manors at Michelbook Condominiums, and that she represents the Home Owners Association for the Manors at Michelbook Condominiums.

In TESTIMONY WHEREOF, I have hereunto set my hand and

Notary Public for Oregon

expires:

Recorded in Yamhill County, Oregon

CHARLES STERN, COUNTY CLERK