

AFTER RECORDING, RETURN TO: HENDRIX & CHAPPELL, 716 NW Harriman, Bend, OR 97701, 503/382-4980

DECLARATION OF AMERICAN WAY CONDOMINIUMS

This Declaration of Unit Ownership is made by DON ORR and GAIL ORR, husband & wife, hereinafter referred to as "Declarant", as owner of the real property Deschutes County, State of Oregon, described as follows:

The northerly one hundred forty-seven (147) feet of Lot 3 in Block 1 of REED MARKET INDUSTRIAL AREA, Deschutes County, Oregon. ALSO KNOWN AS: Parcel 1 of Partition Plat 1992-1, filed January 13, 1992, being a portion of Lot 3 in Block 1 of REED MARKET INDUSTRIAL AREA, Deschutes County, Oregon.

The land is owned by Declarant in fee simple.

Section 1. DEFINITIONS:

1.1 "Condominium" shall mean American Way Condominiums.

1.2 "Plat" means the plat for American Way Condominiums recorded in the office of the County Clerk, Deschutes County, Oregon, simultaneously with the recording of this Declaration.

1.3 "Unit" means the individual unit owned by a unit owner.

2. **NAME:** the name of the condominiums subject to this Declaration shall be: American Way Condominiums.

3. **UNIT DESIGNATION:** The units shall be designated as Unit 1, Unit 2, Unit 3 and Unit 4, all of Building "1" as shown on the Plat being recorded simultaneously. The approximate area of each unit shall be 2475 square feet, one story, without a basement, located on the northerly one hundred forty-seven (147) feet of Lot 3, Block 1, REED MARKET INDUSTRIAL AREA, Deschutes County, Oregon. The units are generally constructed of concrete foundation/slab, steel beams, steel siding and roof, 4" insulation, and 5/8" sheetrock for only the common walls between units.

4. **GENERAL COMMON ELEMENTS:** Shall include landscaping, driveways, land, yards, screened trash disposal, parking areas, foundations, columns, girders, beams, supports, main walls, roofs, of all buildings as set forth in the plat.

5. **ALLOCATION OF INTEREST:** Each unit shall have an undivided one-fourth (1/4) interest in the common elements. Allocation of ownership is based upon the total number of units in the Condominium.

6. LIMITED COMMON ELEMENTS: Limited common elements shall be reserved for the exclusive use of that Unit which each adjoins as shown on the plat: none.

7. UNIT OWNERSHIP: Each unit owner shall own, exclusive of all other unit owners, the land directly below the unit which shall be part of the unit as well as all spaces, nonbearing interior partitions, other fixtures within the boundaries of the unit, the exterior and interior doors and frames, utility service, that part of the building comprising the interior walls, ceilings, and interior finished surfaces. Additionally, all plasterboard, paint and any other materials constituting any part of the finished surfaces thereof shall be a part of the unit and all other portions of the walls, floors or ceilings shall be a part of the common elements. Each unit shall have one 1/2 bath.

8. EXPENSES AND PROFITS: Each unit shall have the liability for common expenses and the right of any common profits according to the allocation of the undivided interest of each unit in the common elements.

9. VOTING RIGHTS: Each unit shall be entitled to one vote.

10. USE: The units and the Condominium as a whole shall be used for commercial/industrial purposes as allowed by governmental ordinance and no other.

11. DESIGNATED AGENT: The designated agent for service of process shall be Don Orr, 1726 NE Matson, Bend, OR 97701. The designated agent shall be named in the Condominium Information Report form filed with the Oregon Secretary of State. The designated agent may be changed by filing a supplemental report with the Secretary of State.

12. AMENDMENTS: Amendments to this Declaration shall be valid only upon unanimous agreement of the unit owners. Any such amendment shall be filed in the Official Records of Deschutes County, Oregon, and with the Oregon Real Estate Agency for approval if required by law.

13. EASEMENTS: The Unit Owners Association shall have the right to grant easements, rights of way, licenses and other similar interests affecting the general common elements only, pursuant to ORS 100.405(5).

14. OTHER DOCUMENTS AFFECTING OWNERSHIP: The Condominium is subject to the recorded covenants, conditions and restrictions of REED MARKET INDUSTRIAL AREA subdivision, Deschutes County, Oregon, and the Bylaws of the American Way Association. The Bylaws limit ownership as follows: No Owner shall transfer either by conveyance, contract of sale or lease any interest in the Owner's Unit which would result in ownership of such Unit being held by more than ten

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persons.

DECLARANT:



DON ORR



GAIL ORR

STATE OF OREGON)

) ss.

County of Deschutes)

The foregoing instrument was acknowledged before me by DON ORR and GAIL ORR, husband & wife this 4 day of January, 1994.



Kathleen Cardin
Notary Public for Oregon
My Commission Expires:
8-31-95

APPROVAL BY COUNTY TAX ASSESSOR

The foregoing Declaration is approved pursuant to ORS 100.110 this 28 day of ~~January~~, 1994.

APRIL



OSCAR BRATTON KIMWORELL

APPROVAL BY COUNTY TAX COLLECTOR

The foregoing Declaration is approved pursuant to ORS 100.110 this ____ day of January, 1994.



HELEN RASTOVICH

APPROVAL BY COMMISSIONER

The foregoing Declaration is approved pursuant to ORS 100.110 this 5th day of January, 1994.

MORELLA LARSEN
Real Estate Commissioner

by: 

338 - 0548

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

94 MAY -4 PM 1:28

MARY SUE PENHOLLOW
COUNTY CLERK

BY. M. S. Penhollow DEPUTY

NO. 94-17810 FEE 2.00

DESCHUTES COUNTY OFFICIAL RECORDS

AFTER RECORDING, RETURN TO: HENDRIX & CHAPPELL, 716 NW Harriman, Bend, OR 97701,
503/382-4980

BYLAWS OF
AMERICAN WAY ASSOCIATION
FOR
AMERICAN WAY CONDOMINIUMS

These Bylaws ("Bylaws") are made by DON ORR and GAIL ORR, husband & wife, ("Declarant"), as owner of the real property Deschutes County, State of Oregon, described as follows:

The northerly one hundred forty-seven (147) feet of Lot 3 in Block 1 of REED MARKET INDUSTRIAL AREA, Deschutes County, Oregon. ALSO KNOWN AS: Parcel 1 of Partition Plat 1992-1, filed January 13, 1992, being a portion of Lot 3 in Block 1 of REED MARKET INDUSTRIAL AREA, Deschutes County, Oregon.

The property described is hereby subject to these Bylaws and shall be known as **AMERICAN WAY CONDOMINIUMS** (the "Condominiums").

The Condominiums are being developed as a commercial condominium. Except where these Bylaws conflict with any applicable government regulation, these Bylaws shall be binding upon all subject to these Bylaws and their successors in interest as set forth herein. In the event any of the development standards or use restrictions of these Bylaws should conflict with a more restrictive standard or requirement set by applicable zoning ordinance of Deschutes County, the more restrictive standard or requirement of the applicable Deschutes County ordinance shall apply.

Section 1. DEFINITIONS:

1.1 "Association" shall mean the AMERICAN WAY ASSOCIATION, which is the unit owners association governing the operation of the condominium. The Association may be incorporated upon a majority vote of the unit owners but is not required to be incorporated.

1.2 "Bylaws" shall mean these bylaws of AMERICAN WAY CONDOMINIUMS and bylaws of the Association.

1.3 "Condominium" or "Condominiums" shall mean AMERICAN WAY CONDOMINIUMS.

1.4 "Declarant" shall mean the original Declarant or their successors in interest.

1.5 "Declaration" shall mean the Declaration of Unit Ownership recorded with these Bylaws.

1.6 "Improvements" shall include, but not be limited to, any buildings, outbuildings, roads, driveways, parking areas, fences and barriers, retaining walls, stairs, decks, hedges, windbreaks, planting, planted trees or shrubs, signs, storage areas, and all other structures or exterior landscaping, vegetation or ground cover of every type and every kind above the land surface.

1.7 "Owner" or "unit owner" shall mean and refer to either all holders of fee title to any unit, or any other person or persons entitled to possession of the unit pursuant to a contract or lease.

1.8 "Plat" shall mean the recorded plat of *AMERICAN WAY CONDOMINIUMS* as recorded in the Official Records of Deschutes County and any subsequent recorded amendment.

1.9 "Streets" or "street" shall mean any street, highway or other thoroughfare within or adjacent to the Condominiums and shown on any recorded subdivision or partition map, or survey map of record, whether designated thereon as street, boulevard, place, drive, road, terrace, way, lane, circle or otherwise.

1.10 "Unit" shall mean each commercial unit described on a Condominium plat.

1.11 "Deschutes County ordinance" or "ordinance of Deschutes County" shall mean the applicable county ordinance, or if the property is annexed into the City of Bend, the applicable city of Bend ordinance.

Any other word requiring a definition shall be interpreted as set forth in ORS chapter 100.

Section 2. PROPERTY SUBJECT TO THESE BYLAWS:

2.1 Declarant hereby declares that all of the real property located in Deschutes County, Oregon described herein is and shall be hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part subject to these Bylaws. All of said Bylaws are declared and agreed to be established with the purpose of protecting the desirability and attractiveness of said real property and every part thereof. All of the Bylaws run with all of said real property for all purposes and shall be binding upon and inure to the benefit of Declarant and all Owners and their successors in interest as set forth in these Bylaws.

Section 3. ARCHITECTURAL CONTROLS: No improvement shall be erected, placed, altered, maintained or permitted to remain on any land subject to these Bylaws except by the Association.

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Section 4. RESTRICTIONS ON USE OF PROPERTY:

4.1 Occupancy. No Owner shall occupy, use or permit the Owner's unit or any part thereof to be used for any purpose other than an allowed commercial/industrial use as provided by the applicable ordinances of Deschutes County. No unit shall be converted or divided into more than one commercial unit.

4.2 Appearance. Each unit within the Condominium and the surrounding area shall be maintained in a clean and attractive condition, in good repair and in such a fashion as not to create a fire hazard.

4.3 Interior Alteration. No alteration of any unit shall occur that may effect any bearing walls, ceilings, roofs, foundations, columns, girders, beams, supports, main walls, without the express written permission of the Association. No alteration is allowed that may impair the structural integrity or mechanical systems of the Condominium or lessen the support of any portion of the Condominium.

4.4 Exterior Alteration. Nothing shall be altered or constructed in or removed from or fixed on the exterior of any unit except with the prior written consent of the Association.

4.5 Offensive Activity. No offensive activity shall be carried on nor shall anything be done which may be or become an annoyance or nuisance to the other Owners.

4.6 Signs. All signage shall conform to the ordinance requirements of Deschutes County or as set forth by regulation of the Association. Additionally, not more than one "For Sale" or "For Rent" sign placed by the Owner, the Declarant or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may temporarily displayed from a window from inside a Unit or attached outside to the Unit. This restriction shall not prohibit the temporary placement of political signs by the Owner in the windows of the Owner's Unit. During the period of Declarant control, Declarant may place "For Sale" signs in the common elements.

4.7 Exterior Lighting or Noise Making Device. No exterior lighting or noise making device shall be placed on a Unit or any portion thereof which may annoy other Owners without the Association's prior written consent.

4.8 Antennas. No television antenna, radio antenna, satellite antenna, or other receiving or transmitting device shall be placed outside any unit without the Association's prior written consent.

4.9 Limitation on Transfer. No Owner shall transfer either

by conveyance, contract of sale or lease any interest in the Owner's Unit which would result in ownership of such Unit being held by more than ten persons.

4.10 Utilities. No utility connections shall be made without the prior written consent of the Association.

4.11 Parking. Motorhomes, campers, camping trailers, trucks, boats, and boat trailers may not be parked outside of a unit for any period of time.

4.12 Open Burning. No open burning of any type shall be allowed.

4.13 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that of a reasonable number (not to exceed two total) of dogs, cats, or other household pets may be kept provided that they are not kept, bred or maintained for commercial purposes and are reasonably controlled so as not to be a nuisance.

4.14 Commercial or Business Use. No activity of any kind shall be conducted on any lot, nor shall any goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business be kept or stored within any unit which violates the ordinance of Deschutes County.

4.15 Vehicles in Disrepair. No Owner shall permit any vehicle which is in an unreasonable state of disrepair or to be abandoned or to remain parked upon anywhere outside the Owner's own unit or on any street for a period in excess of forty-eight (48) hours. A vehicle shall be deemed to be in an "unreasonable state of disrepair" when due to its continued inoperability or significant damage, reasonably offends the occupants of the Condominiums or Declarant. This provision shall not be construed as to prohibit Owner from storing a vehicle in an unreasonable state of disrepair inside Owner's unit.

4.16 Private and Public Utility Easements depicted on Plat. Easements for installation and maintenance of utility lines and drainage facilities are reserved as specified on the recorded plat of the Condominiums and shall continue in perpetuity. Said easements are intended to, and do attach to and run with the land affected herein.

4.17 Each unit owner may use the common elements in accordance with the purposes for which they are intended, but may not hinder or encroach upon the lawful rights of the other unit owners.

Section 5. DECLARANT'S CONTROL: Declarant hereby reserves special control as described in these Bylaws and shall administer the Association until such time as Declarant terminates Declarant's

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control. Declarant shall serve as the Board of Directors of the Association. At such time as the Declarant shall no longer desire to exercise control over the Condominium as provided herein, Declarant shall turnover control to the Association. Termination of Declarant's role shall not occur later than December 1, 1996, or the date three units are conveyed to persons other than Declarant, at which time the right of control shall automatically pass to the Association. No other resignation by Declarant shall be required.

Section 6. FORMATION OF ASSOCIATION:

6.1 Turnover Meeting: A turnover meeting shall be called by the Declarant within 90 days of the expiration of any period referenced in Section 5 to turn over control of the Association to the unit owners. This meeting shall be the initial meeting.

6.1.1 Notice of the turnover meeting shall be given by Declarant at least seven (7) but not more than fifty (50) days prior to the turnover meeting. The notice shall state the purpose of the meeting and the time and place where it is to be held. If the meeting is not called by the Declarant within the time specified, the meeting may be called and notice given by any unit owner or any first mortgagee of a unit.

6.1.2 At the turnover meeting the Declarant shall relinquish control of the administration of the Association and the unit owners shall assume control; the unit owners shall elect a board of directors in accordance with these bylaws; and the Declarant shall deliver to the Association the following:

6.1.2.1 Original or photocopy of the recorded Declaration and Bylaws of the Condominium and any supplements and amendments thereto;

6.1.2.2 All records of the Association including minutes, rules and regulations promulgated, if any;

6.1.2.3 A report of the present financial condition of the Association consisting of a balance sheet and income and expense statement for the preceding 12-month period or the period following the recording of the Declaration, whichever is less;

6.1.2.4 Association funds or control thereof, including, but not limited to, any bank signature cards;

6.1.2.5 All tangible personal property that is property of the Association and an inventory of such property;

6.1.2.6 If available, a copy of the as-build architectural, structural, engineering, mechanical, electrical and plumbing plans; the original specifications indicating thereon all

material changes; the plans for underground site service, site grading, drainage, and landscaping together with cable television drawings; and any other future plans and information relevant to future repair or maintenance of the property;

6.1.2.7 All insurance policies; copies of any occupancy permits which have been issued for the Condominium, any other permits issued by governmental bodies applicable to the Condominium in force or issued within one year prior to the date the unit owners assume control of the administration of the Association;

6.1.2.8 A list of the general contractor and the subcontractors responsible for construction or installation of the major plumbing, electrical, mechanical, and structural components of the common elements;

6.1.2.9 A roster of unit owners and their addresses and telephone numbers, if known, as shown on the records of the Declarant;

6.1.2.10 Copies of any leases to which the Association is a party;

6.1.2.11 Employment or service contracts in which the Association is one of the contracting parties or service contracts in which the Association or the unit owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person performing the service, and any other contracts to which the Association is a party;

6.2 In order to facilitate an orderly transition, during the 90 day period following the turnover meeting, the Declarant or an informed representative shall be available to meet with the Board of Directors on at least three mutually acceptable dates to review the documents delivered as provided in paragraph 6.1.

6.3 If the Declarant has complied with the terms of paragraphs 6.1 and 6.2, unless the Declarant otherwise has sufficient voting rights as a unit owner to control the Association, the Declarant shall not be responsible for the failure of the unit owners to comply with paragraphs 6.1 and 6.2 and the Declarant shall be relieved of any further responsibility for the administration of the Association except as a unit owner of any unsold unit.

Section 7. ASSOCIATION POWERS:

7.1 Membership in the Association shall be limited to unit owners.

7.2 The affairs of the Association shall be governed by

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a board of directors as provided herein.

7.3 Subject to the provisions of the Declaration and Bylaws, the Association may, whether or not the Association is unincorporated:

7.3.1 Adopt and amend bylaws and rules and regulations;

7.3.2 Adopt and amend budgets for revenues, expenditures and reserves and levy and collect assessments for common expenses from unit owners;

7.3.3 Hire and terminate managing agents and other employees, agents and independent contractors;

7.3.4 Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or on behalf of two or more unit owners on matters affecting the Condominium;

7.3.5 Make contracts and incur liabilities;

7.3.6 Regulate the use, maintenance, repair, replacement and modification of common elements;

7.3.7 Cause additional improvement to be made as a part of the common elements;

7.3.8 Acquire by purchase, lease, devise, gift or voluntary grant real property or any interest therein and take, hold, possess and dispose of real property or any interest therein;

7.3.9 Impose and receive any payments, fees or charges for the use, rental or operation of the common elements;

7.3.10 Impose charges for late payments of assessments, attorney fees for collection of assessments and, after giving notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, bylaws and rules and regulations of the Association;

7.3.11 Adopt rules regarding the termination of utility services paid for out of assessments of the Association and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such services until the correction of any violation covered by such rule has occurred;

7.3.12 Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;

7.3.13 Provide for the indemnification of its officers and executive board, as may be limited by ORS 61.218(3)(d)(1987 Replacement Part), and maintain director's and officers liability insurance;

7.3.14 Exercise any other powers conferred by the Declaration or Bylaws and all other powers that may be exercised in this state by any such Association; and exercise any other powers determined by the Association to be necessary and proper for the governance and operation of the Association.

7.4 Subject to paragraph 7.5, unless expressly prohibited by the Declaration, the Association has the authority to execute, acknowledge, deliver and record on behalf of the unit owners leases, easements, rights of way, licenses and other similar interests affecting the general common elements and consent to vacation of roadways within and adjacent to the Condominium.

7.5 The granting of a lease in excess of two years or any other interest or consent pursuant to subsection 7.4 shall be first approved by unanimous consent of all unit owners.

Section 8. AMENDMENT: The Bylaws may be amended by a majority vote of the unit owners. A copy of any amendment adopted by the Association shall be signed by the Board, notarized and recorded in the Official Records of Deschutes County referencing said amendment as "Amendment to Bylaws of AMERICAN WAY CONDOMINIUMS."

8.1 No amendment shall be valid which requires more than a majority vote of the unit owners except for amendments relating to age restrictions, pet restrictions, limitation on the number of persons who may occupy units and limitations on the rental or leasing of units.

8.2 Amendments relating to age restrictions, pet restrictions, limitation on the number of persons who may occupy units and limitations on the rental or leasing of units shall require a unanimous vote of the unit owners.

8.3 For five years after the recording the initial Bylaws, before any amended bylaws or amendment to a Bylaw may be recorded, it must be approved by the Oregon Real Estate Commissioner, if required by law. The Association shall pay any fee required by this paragraph 8.3.

Section 9. MEETINGS OF UNIT OWNERS: The Board of Directors or three unit owners may call a meeting of the unit owners by sending a notice not less than twenty (20) nor more than fifty (50) days prior to such meeting to each of the other unit owners. Owners representing at least 75% of the total number of units in the Condominium shall be required to constitute a quorum. Additionally, the Board shall annually call a meeting within 60

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days of, before or after, the anniversary of the turnover meeting ("annual meeting"). Meetings of the unit owners shall be conducted in a manner to give respect to all present and to allow each unit owner a reasonable opportunity to be heard. Minutes of all unit owner meetings shall be maintained in the records of the Association. Notice of meetings of unit owners shall include an agenda of items to be discussed. No matter requiring the vote of the unit owners may be voted upon which was not clearly identified in the notice except by unanimous vote of all unit owners and not merely all unit owners present.

Section 10. VOTING: Each unit shall be entitled to one vote. No fractions of a "unit vote" shall be allowed. If the owners of a unit cannot agree on how to cast their vote, then the vote shall not be counted though the unit shall be deemed present for the purpose of constituting a quorum. If a person owns more than one unit, the person may cast as many votes as the number of units the person owns. In these Bylaws, "majority vote" shall mean the majority of the quorum present. If at any time during a meeting a quorum is no longer present then the meeting must be adjourned until a meeting can be called with a quorum. Meetings can be adjourned for periods of not more than eight (8) hours without additional notice being required. The secretary shall record in the minutes how each unit voted on the measures before the Association except that the election of the Board shall be by secret ballot. Unless specifically stated to the contrary, the Board or the Association can make a decision upon a majority vote.

Section 11. ELECTION OF A BOARD OF DIRECTORS: An initial Board of Directors, consisting of three unit owners, shall be elected at the turnover meeting and each year at the annual meeting. The term of office shall be one year or until the next annual meeting, whichever occurs first. Election shall be by position: "Director 1, Director 2, and Director 3". Election shall be held first for Director 1, then for Director 2 and finally for Director 3. All unit owners may vote for each position. Any vacancy in a Board position shall be filled within 60 days of the occurrence of the vacancy by a vote of the unit owners at the annual or a special meeting.

Section 12. POWERS AND DUTIES OF THE BOARD: The Board shall have the power to administer the day-to-day activities of the Association. The Board may enter into contracts as allowed by these bylaws which do not require unanimous consent or specific consent of the unit owners. Any matters requiring unanimous consent of the unit owners may be made only after a discussion at an annual or special meeting and only in writing signed by all unit owners. The Board shall cause to be prepared, and shall file, any tax returns required by law. The Board shall serve without compensation, however, upon majority approval of unit owners, the Board member's expenses may be reimbursed.

Section 13. BOARD MEETINGS: The Board shall determine between themselves how Board meetings are to be conducted. The Board shall meet as necessary to conduct the business of the Association. Minutes of Board meetings shall be kept with the records of the Association. All Board meetings shall be open to the unit owners. Board meetings may be called by any Board member. Notice of Board meetings shall be delivered or mailed to each unit owner no less than 72 hours prior to the meeting. In the case of emergency only, Board meetings may be held by telephonic communication and with reasonable notice to unit owners of not less than 24 hours. Only business that is truly an emergency may be conducted at an emergency meeting. Two Board members constitutes a quorum.

Section 14. REMOVAL OF BOARD MEMBER: Any Board member may resign in writing submitted to the Board and a copy of such resignation sent to each unit owner by hand deliver or regular U.S. Mail. A majority vote of the unit owners at any annual or special meeting of the unit owners shall be required to remove a Board member from the position on the Board. No cause for removal is necessary.

Section 15. OFFICERS: The Board shall choose between themselves a presiding officer, a secretary and treasurer. No Board member shall hold more than one such office except in cases of removal of a Board member and the vacancy has not yet been filled.

Section 16. MAINTENANCE:

16.1 The maintenance, upkeep and repair of the common elements shall be contracted for by the Association annually and as needed. Any personnel employed, other than independent contractors, shall only be made after a majority vote of the unit owners. Payments shall be made upon receipt of billings and from an account owned by the Association and approved by the Board. In addition to the regular maintenance, the Association shall enter into a contract for at least the monthly pumping (or more often if necessary) of the septic holding tank and shall confirm that the monthly pumping occurs.

16.2 The Association shall give the Designated Agent a copy of the receipts for pumping the septic holding tank for the period of January through June, no later than July 15th of each year, and for the period July through December, no later than January 15th of each year. Within five days of receipt by the Designated Agent, the Agent shall send copies to the Bend Office of the Department of Environmental Quality.

Section 17. ASSESSMENT:

17.1 At the annual meeting the unit owners shall decide by majority vote the amount and payment schedule of the annual assessment. The Assessment shall be due and payable on the date set by the unit owners at the annual meeting. No assessment shall

be larger than necessary for the maintenance, insurance, upkeep, repair or replacement of the improvements existing at the time of the Declaration, and an additional contingency fund of not more than 15% more than necessary for the matters listed herein. Any new improvement shall require the unanimous consent of the unit owners.

17.2 Declarant expressly elects to defer payment of the accrued assessment for any unit until the time of conveyance of that unit to someone other than the Declarant.

Section 18. DELINQUENT ASSESSMENTS: Any unpaid or overdue assessment shall be collectable upon ten day's written notice to the unit owner. If the overdue assessment is not paid, then the Association may sue the unit owner in the appropriate court of law. All costs of collection, including but not limited to attorney fees at trial and on appeal, shall be added to the assessment. As an alternative to the procedure set forth herein, the Association may lien the property as provided by ORS chapter 100. The unit owner shall remain personally liable for all assessments, though a judgment or lien may attach to the unit or any other real or personal property of the unit owner.

Section 19. INSURANCE: The Association shall have sole authority to decide whether to repair or reconstruct a unit that has suffered damage or that a unit must be repaired or reconstructed. The Board shall obtain and maintain at all times and shall pay for out of the common expense fund, the following insurance covering both the common elements and individual units:

19.1 Property insurance including, but not limited to, fire, extended coverage, vandalism, and malicious mischief; and

19.2 Insurance covering the legal liability of the Association, the unit owners individually, any officers, directors, employees, or agents of the Association, the public, and the unit owners and their invitees or tenants, incident to ownership, supervision, control or use of the property. There may be excluded from the policy required under this paragraph, coverage of a unit owner, other than coverage as a member of the Association or Board, for liability arising out of acts or omissions of that unit owner and liability incident to the ownership or use of the part of the property as to which that unit owner has the exclusive use or occupancy. Liability insurance required under this paragraph shall be issued on a comprehensive liability basis and shall provide a cross liability indorsement providing that the rights of a named insured under the policy shall not prejudice any action against another named insured.

Section 20. ASSOCIATION RECORDS:

20.1 The Association shall retain the documents, information

and records delivered to the Association at the turnover meeting. The Association shall keep financial records sufficient for proper accounting purposes. Within 90 days after the end of the fiscal year, the Board shall distribute to each unit owner a copy of the annual financial statement consisting of a balance sheet and income and expense statement for the preceding year. The documents, information, and records of the Association shall be reasonably available for examination by a unit owner and any mortgagee of a unit. "Mortgagee" includes the beneficiary of a trust deed or vendor of a land sale contract.

20.2 At the same time the Board distributes the annual financial statement, the Board shall file an Annual Report and any amendment with the Secretary of State in accordance with ORS 100.250.

Section 21. ENFORCEMENT:

21.1 The Bylaws shall be specifically enforceable by Declarant, the Association or by any unit owner. Any breach of the Bylaws shall subject the breaching party to any and all legal remedies, including damages or the destruction, removal or the enjoining of any offending improvement or condition. All unit owners are bound by these Bylaws.

21.2 In the event either party engages an attorney to enforce these Bylaws or any of its terms, whether or not a suit or action is commenced, it is agreed that the prevailing party shall be entitled to recover all expenses reasonably incurred before, at and after trial and on appeal whether or not taxable as costs, including, without limitation, attorney fees, witness fees (expert and otherwise), copying charges, deposition expenses, and other charges to be paid by the losing party to the prevailing party and to be fixed by the trial and appellate courts.

Section 22. RULES AND REGULATIONS: The Board may adopt reasonable rules and regulations regarding the use of common elements and shall distribute a complete list of said rules and regulations, with the date the rules become effective. Such rules or regulations shall not unreasonably interfere with the use of units and limited common elements by their respective unit owners, or with the use of the general common elements by the several unit owners. The Association shall not have the power to levy fines for the breach of any rule or regulation, but may apply for any other legal remedy, including but not limited to injunction.

Section 23. DURATION:

The Bylaws shall continue to remain in full force and effect at all times within respect to all property, and each part thereof, now or hereafter made subject thereto (subject however, to the right to amend and repeal as provided for therein) from the date

these Bylaws are recorded. Should the Declaration be terminated as provided by Oregon law, these Bylaws shall also terminate. These Bylaws shall run with the land included in the Condominium and shall bind, benefit and burden all real property and improvements and shall inure to the benefit and shall bind Declarant, all successors and assigns of Declarant and all unit owners, their successors, assigns, heirs, administrators, executors, mortgagees, lessees, invitees or any other party claiming or deriving any right, title, or interest or use in or to any real property in the Condominium. The use restrictions and regulations set forth herein shall be binding upon all unit owners, lessees, licensees, occupants and users of the Condominium and their successors in interest, including any person who holds such interests as security for the payment of an obligation including any mortgage or other security holder in actual possession of any lot by foreclosure or otherwise and any other person taking title from such security holder.

DECLARANT:

[Signature]
DON ORR

[Signature]
GAIL ORR

STATE OF OREGON)

) ss.

County of Deschutes)

The foregoing instrument was acknowledged before me by DON ORR and GAIL ORR, husband & wife this 4 day of January, 1994.



Kathleen Cardin
Notary Public for Oregon
My Commission Expires:
8-31-95

STATE OF OREGON) ss.
COUNTY OF DESCHUTES)

I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

94 MAY -4 PM 1:32

MARY SUE PENHOLLOW
COUNTY CLERK

BY: [Signature] DEPUTY
NO. 94-17811 FEE 65.00
DESCHUTES COUNTY OFFICIAL RECORDS

VOL: 2000 PAGE: 48301
RECORDED DOCUMENT

STATE OF OREGON
COUNTY OF DESCHUTES



*2000-48301 * Vol-Page

Printed: 11/29/2000 08:14:54

DO NOT REMOVE THIS CERTIFICATE

(This certificate constitutes a part of the original instrument in accordance with ORS 205.180(2). Removal of this certificate may invalidate this certificate and affect the admissibility of the original instrument into evidence in any legal proceeding.)

I hereby certify that the attached instrument was received
and duly recorded in Deschutes County records:

DATE AND TIME: Nov. 29, 2000; 8:14 a.m.

RECEIPT NO: 28987

DOCUMENT TYPE: ByLaws, Declarations

FEE PAID: \$36.00

NUMBER OF PAGES: 2

A handwritten signature in cursive script, reading "Mary Sue Penhollow".

MARY SUE PENHOLLOW
DESCHUTES COUNTY CLERK

James Peterson P.O. Box 884 Bend, OR 97709

2000-48301-1

AFTER RECORDING RETURN TO: HENDRIX & BRINICH, LLP, 716 NW Harriman St., Bend, OR 97701 // 541.382.4980

AMENDED DECLARATION OF AMERICAN WAY CONDOMINIUMS

THE OWNERS of Units 1, 2, 3, and 4, hereby amend the Declaration of American Way Condominiums as follows:

LEGAL DESCRIPTION:

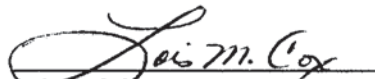
Parcel 1 of Partition Plat 1992-1, filed January 13, 1992; taxlots 18-12-09AB-90000, 90001, 90002, 90003, 90004, 90005.

AMENDMENT:

1. The Owners of Units 1, 2, 3, and 4, hereby declare an additional Unit to be known as Unit 5. Unit 5 is a stand alone unit of approximately 2800 square feet which has been built on the American Way Condominium property.
2. The Owner of Unit 5 shall have all the same rights and same obligations as the other Unit Owners as described in the Declaration and Bylaws of American Way Condominiums. Recorded May 4, 1994, book 338, page 0545.
3. The Declaration and Bylaws shall remain in full force and effect as if there were originally five units instead of four.

Unit One:


ROBERT COX


LOIS COX

Unit Two:


HOWARD WHITSON


MARIA WHITSON

Unit Three & Unit Four:


JAMES PETERSON

Acceptance by Owner of
Unit Five:


JAMES PETERSON

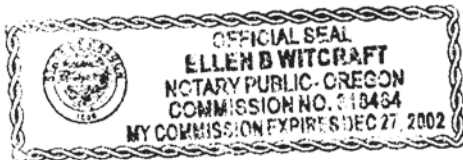
2000-48301-2

STATE OF OREGON)

SS.)

County of Deschutes)

The above document was subscribed and sworn before me by ROBERT COX and LOIS COX, husband & wife, on this 13th day of November, 2000.



Ellen B. Witchcraft
Notary Public of Oregon
my commission expires:
12/27/02

STATE OF OREGON)

SS.)

County of Deschutes)

The above document was subscribed and sworn before me by HOWARD WHITSON and MARIA WHITSON, husband & wife, on this 3 day of November, 2000.



Howard Whitson
Notary Public of Oregon
my commission expires:
June 21, 2002

STATE OF OREGON)

SS.)

County of Deschutes)

The above document was subscribed and sworn before me by JAMES PETERSON, on this 17 day of November, 2000.



Misshelle Pack
Notary Public of Oregon
my commission expires:
4-20-2003

2. AMENDED DECLARATIONS OF AMERICAN WAY CONDIMINIUMS

✓ AFTER RECORDING RETURN TO: HENDRIX & BRINICH, LLP, 716 NW Harriman St., Bend, OR 97701 // 541.382.4980

**AMENDMENT TO THE BYLAWS OF
AMERICAN WAY ASSOCIATION**

61550 American Ln
Bend, OR 97702

AMENDING BYLAWS RECORDED AT:

Book 338, page 0549, Official Records of Deschutes County, recorded May 4, 1994.

LEGAL DESCRIPTION:

Parcel 1 of Partition Plat 1992-1, filed January 13, 1992; tax lots 18-12-09AB-90000, 90001, 90002, 90003, 90004, 90005.

Unit #1: Robert and Lois Cox
Unit #2: Howard and Maria Whitson
Unit #3: James Peterson
Unit #4: James Peterson
Unit #5: James Peterson

WHEREAS, the City of Bend has assessed the common property of American Way Association for a Local Improvement District, for taxlot 18-12-09AB-9000. The assessment is:

WHEREAS, Unit 1 is occupying a portion of the common area that Unit's portion of the assessment shall be adjusted proportionately as set forth below.

Loan amount:	\$23,778.81
Proposed term:	120 months
# of installments:	20
Interest Rate:	7% <i>ESTIMATED</i>
Semi-annual payment:	\$1,673.10
First payment:	12.01.01
Final payment:	06.01.11

The following payments are *estimates only* and based on the City's current estimate of the interest rate. The actual payment shall be as assessed by the City of Bend.

Unit #1:	.2148	\$359.38
Unit #2:	.1963	\$328.43
Unit #3:	.1963	\$328.43
Unit #4:	.1963	\$328.43
Unit #5:	.1963	\$328.43
	100%	\$1,673.10

DESCHUTES COUNTY OFFICIAL RECORDS
MARY SUE PENHOLLOW, COUNTY CLERK

2001-38753



\$41.00

00008430200100387530030036

08/08/2001 09:25:00 AM

D-BYA Cnt=1 Stn=2 SHIRLEY
\$15.00 \$11.00 \$10.00 \$5.00

Each Unit Owner agrees to pay the interest and principal on or before the first day of June and the first day of December each year payable to "American Way Association". Annually the Association shall issue a statement regarding interest paid by each Owner

1. AMERICAN WAY ASSOCIATION AGREEMENT

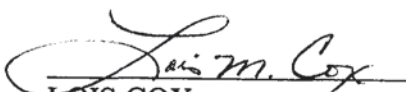
for tax return purposes as soon as the statement is received from the bond company.

In the event of sale of a unit, the new unit owner shall be responsible for continuing the payment schedule as outlined above.

In the event either party engages an attorney to enforce this Agreement or any of its terms, whether or not a suit or action is commenced, it is agreed that the prevailing party shall be entitled to recover all expenses reasonably incurred before, at and after trial and on appeal whether or not taxable as costs, including, without limitation, attorney fees, witness fees (expert and otherwise), copying charges, deposition expenses, and other charges to be paid by the losing party to the prevailing party and to be fixed by the trial and appellate courts.

Unit One:


ROBERT COX


LOIS COX

Unit Two:


HOWARD WHITSON


MARIA WHITSON

Unit Three, Unit Four & Unit Five:


JAMES PETERSON


STATE OF OREGON

ss.

County of Deschutes

The above document was subscribed and sworn before me by ROBERT COX and LOIS COX, husband & wife, on this 20th day of June, 2001.




Notary Public of Oregon
my commission expires:
April 20, 2003

STATE OF OREGON

ss.

County of Deschutes

The above document was subscribed and sworn before me by HOWARD WHITSON and MARIA WHITSON, husband & wife, on this 14th day of June, 2001.



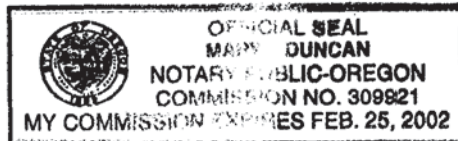
Ellen B. Witcraft
Notary Public of Oregon
my commission expires:
12/27/02

STATE OF OREGON

ss.

County of Deschutes

The above document was subscribed and sworn before me by JAMES PETERSON, on this 6th day of June, 2001.



Mary L. Duncan
Notary Public of Oregon
my commission expires:
2-25-2002

DESCHUTES COUNTY OFFICIAL RECORDS
MARY SUE PENHOLLOW, COUNTY CLERK

2001-57186



\$41.00

00029627200100571860040041

11/19/2001 03:45:27 PM

D-COVDA Cnt=1 Stn=4 JEFF

\$15.00 \$11.00 \$10.00 \$5.00

DESCHUTES COUNTY CLERK

CERTIFICATE PAGE



This page must be included
if document is re-recorded.
Do Not remove from original document.

AMENDMENT TO THE DECLARATION OF AMERICAN WAY CONDOMINIUMS

THE OWNERS of Units 1, 2, 3, and 4, hereby amend the Declaration of American Way Condominiums recorded May 4, 1994, in Book 338, Page 0545, Deschutes County Records, amending Sections Three (3) and Five (5), to convey an interest in said Condominium to the Owner of Unit 5 and in accordance with the Declaration and ORS 100.135, as follows:

LEGAL DESCRIPTION:

In Deschutes County, Oregon as set forth in Exhibit 1.

Tax lots 18-12-09AB-90000, 90001, 90002, 90003, 90004, 90005;

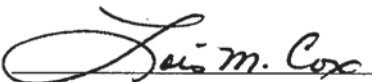
AMENDMENT: Sections 3 and 5 are hereby replaced as follows. Except as specifically set forth herein, all other terms and conditions of the original recorded Declaration remains in full force and effect.

Section 3. UNIT DESIGNATION: The units shall be designated as Unit 1, Unit 2, Unit 3, and Unit 4 of Building 1 and Unit 5 of Building 2 as shown on the Plat Amendment being recorded simultaneously. The area of Unit 1 is 3,025 square feet, the area of Unit 2 is 2,475 square feet, the area of Unit 3 is 3,025 square feet, and the area of Unit 4 is 1,375 square feet as shown on the Plat Amendment. Unit 5 shall be 2800 square feet and located as shown on the Plat Amendment. The units are generally constructed of concrete foundation/slab, steel beams, steel siding and roof, 4" insulation, and 5/8" sheetrock for only the common walls between units, one story and without a basement.

Section 5. ALLOCATION OF INTEREST: Each unit shall have an undivided one-fifth (1/5) interest in the common elements. Allocation of the ownership is based upon the total number of units in the Condominium.

Unit One:


ROBERT COX


LOIS COX

Unit Two:


HOWARD WHITSON

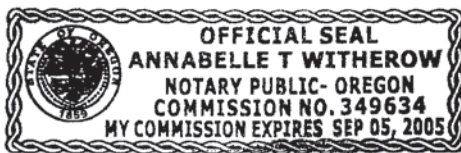

MARIA WHITSON

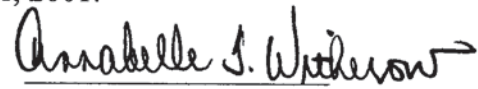
Unit Three, Unit Four & Unit Five:


JAMES PETERSON

STATE OF OREGON)
)
 ss.)
County of Deschutes)

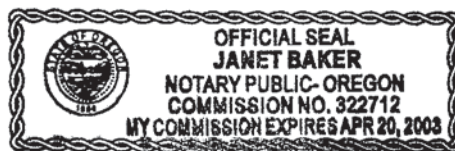
The above document was subscribed and sworn before me by ROBERT COX and LOIS COX, husband & wife, on this 1 day of ~~September~~^{OCTOBER}, 2001.





Notary Public of Oregon
my commission expires:
Sept. 05, 2005

STATE OF OREGON)
)
 ss.)
County of Deschutes)

The above document was subscribed and sworn before me by HOWARD WHITSON and MARIA WHITSON, husband & wife, on this 5th day of ~~September~~^{October}, 2001. JB

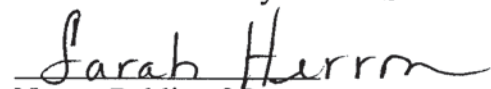



Notary Public of Oregon
my commission expires:
April 20, 2003

STATE OF OREGON)
)
 ss.)
County of Deschutes)

The above document was subscribed and sworn before me by JAMES PETERSON, on this 21st day of September, 2001.




Notary Public of Oregon
my commission expires:
7.25.05

2. AMENDED DECLARATIONS OF AMERICAN WAY CONDIMINIUMS

APPROVAL BY COMMISSIONER

The foregoing Amendment to Declaration is approved pursuant to ORS 100.110 and 100.135 this 15 day of November, 2001, and in accordance with ORS 100.110(7), this approval shall automatically expire if this Amendment to the Declaration is not recorded within two (2) years from this date.

Real Estate Commissioner

By: Brian DeMarco

Brian DeMarco



APPROVAL BY COUNTY TAX ASSESSOR

The foregoing Amendment to Declaration is approved pursuant to ORS 100.110 and ORS 100.135 this 17 day of OCTOBER, 2001, and in accordance with ORS 100.110(7), this approval shall automatically expire if this Amendment to the Declaration is not recorded within two (2) years from this date.

Deschutes County Tax Assessor

By: [Signature]

[Signature]