

95 ✓ After recording, please return to Robert S. Lovlien,
40 NW Greenwood, Bend, OR 97701

330 - 0252

94-07322

DECLARATION
OF
HUSTON/RALSTON OFFICE CONDOMINIUM

WHEREAS, the undersigned Declarants desire to submit the property described in this Declaration, together with all improvements now existing or hereafter to be constructed thereon, to the provisions, restrictions and limitations of the Oregon Condominium Act, except those provisions applicable only to condominiums that include units to be used for residential purposes.

NOW, THEREFORE, it is declared as follow:

SECTION 1. DEFINITIONS

As used herein, the term

a. "Association of Unit Owners" means all the Unit Owners acting as a group through an unincorporated association in accordance with this Declaration and the Bylaws of the Association of Unit Owners.

b. "Common Expenses" means expenses of administration, maintenance, repair or replacement of the common elements, including deposits in the working capital fund and reserve fund, together with such expenses agreed upon as common by the Association of Unit Owners in the manner provided in the Bylaws.

c. "Eligible Mortgage Holder" means a holder of a first mortgage on a unit who has requested notice of certain matters from the Association of Unit Owners in accordance with Section 23 of this Declaration.

d. "Manager" means the person or firm hired by the Board of Directors of the Association of Unit Owners to be in charge of the administration of and to manage the Property.


e. "Property" means the land, all buildings, improvements and structures thereon and all easements, rights and appurtenances belonging thereto which are hereby submitted to the provisions of the Oregon Condominium Act.

f. "Unit Owner" means the owner of any unit or an undivided interest therein.

SECTION 2. NAME OF THE PROPERTY

The Property subject to this Declaration shall be known by the name of Huston/Ralston Office Condominium.

- 1 - DECLARATION (RSL:HUST02)

Holmes Hurley Bryant Lovlien  Lynch
ATTORNEYS AT LAW

40 N.W. Greenwood P.O. Box 1151 Bend, Oregon 97709-1151 (503) 382-4331 Fax (503) 389-3386

SECTION 3. DESCRIPTION OF THE PROPERTY

This Declaration submits to the provisions, restrictions and limitations of the Oregon Condominium Act, except those provisions applicable only to condominiums that include units to be used for residential purposes, the land owned in fee simple and described on Exhibit "A", attached hereto, together with the units described and all other improvements now existing or to be constructed on such land.

SECTION 4. GENERAL DESCRIPTION OF THE UNITS

Huston/Ralston Office Condominium shall consist of two office units. The units shall be situated in a single structure which shall be a two-story wood frame structure with no basement. The unit designation, description, location and approximate area of the units in Huston/Ralston Office Condominium are indicated on Exhibit "B" attached hereto. The units shall be bounded by the undecorated surface of the interior perimeter walls, floors and ceilings, exclusive of any common elements. All doors, door frames, windows, window frames, hot water heaters, furnaces and non-loadbearing walls within a unit are part of the unit. In addition, each unit shall include the outlet of any utility service lines, including water, sewer, electricity, telephone, cable T.V., and heating, ventilating and air conditioning ducts, but shall not include any part of such lines or ducts themselves.

SECTION 5. COMMON ELEMENTS

a. The general common elements shall consist of all portions of the Property not part of a unit or a limited common element, including all the above-described land; all foundations, columns, girders, beams and supports; all stairs and corridors, except stairs within units; all exterior walls and roofs of the building in which the units are situated and all walls and partitions separating a unit from the other unit or stairs, walls and partitions between common areas; parking areas, driveways, walkways, landscaping, recreational and other facilities, and utilities and all the appurtenance thereto.

b. The limited common elements shall consist of exterior balconies and decks attached to each unit, including the railings thereof, but excluding common elements, which shall be appurtenant to, and for the exclusive use of, the unit which they are designated to serve as shown on Exhibit "B".

SECTION 6. PERCENTAGE OF INTEREST IN COMMON ELEMENTS

Each unit in Huston/Ralston Office Condominium shall have an equal one-half interest in the common elements. Such undivided interest in the common elements shall not be separated from the

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unit to which it appertains and shall be conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

The common elements shall remain undivided, and no Unit Owner may bring any action for partition or division of any part thereof while the Property is subject to this Declaration. Any covenant to the contrary is void.

SECTION 7. OWNERSHIP TO BE FEE SIMPLE

Each individual unit, together with its undivided interest in the common elements shall be owned in fee simple by the Unit Owner and may be individually conveyed and encumbered and be the subject of ownership, possession, sale or other disposition as though it were solely and entirely independent of the other unit, and the individual titles and interest shall be recordable. Each Unit Owner shall be entitled to the exclusive ownership, possession and enjoyment of his or her unit.

SECTION 8. TAXATION OF UNITS

Each unit, with its allocation of undivided interest in the common elements shall be considered a parcel of real property subject to separate assessment and taxation by any taxing authority in like manner as other parcels of real property as required by ORS 100.555. The common elements shall not be considered a parcel for purposes of taxation.

SECTION 9. VOTING RIGHTS

One vote shall be allocated to each unit.

SECTION 10. ASSOCIATION OF UNIT OWNERS

a. Organization; Adoption of Bylaws. Upon the execution and recording of this Declaration, the Association shall be organized to serve as a means through which the Unit Owners may take action with regard to the administration, management and operation of the condominium. Declarant shall simultaneously adopt and record Bylaws for this Association.

b. Membership; Board of Directors. Each Unit Owner shall be a member of the Association, and membership therein shall be limited to Unit Owners only. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.

c. Powers and Duties of the Association. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, together with such additional powers and duties contained in this Declaration and the Bylaws.

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d. Declarant Control of the Association; Interim Board of Directors. The Declarants will constitute the initial Board of Directors for the Association. The Board of Directors shall govern the affairs of the Association until their successors are elected pursuant to the Bylaws.

e. Management Agreements, Contracts and Leases. The Board of Directors shall have the right to enter into management agreements, contracts, leases and other agreements on behalf of the Association with respect to management of the affairs of the Association and the maintenance and operation of the common elements.

SECTION 11. MAINTENANCE, IMPROVEMENT AND USE OF UNITS

Subject to ORS 100.535, a Unit Owner shall make no repair or alteration or perform any other work on his or her unit which would jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easement or hereditament, unless the consent of the Board of Directors and the consent of all other Unit Owners affected is first obtained. The units shall be used for general office purposes and no other use shall be permitted without the prior approval of the Board of Directors.

SECTION 12. USE, MAINTENANCE AND REPLACEMENT OF COMMON ELEMENTS

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.

The necessary work to maintain, repair or replace the common elements and additions or improvements to the common elements shall be the responsibility of the Association of Unit Owners and shall be carried out as provided in the Bylaws. If the mortgagee of any Unit Owner determines that the Association of Unit Owners is not providing an adequate maintenance, repair and replacement program for the project, such mortgagee, at its option, may deliver a written notice to the Association of Unit Owners by delivering the same to the registered agent, required pursuant to ORS 100.105(j), setting forth the particular defects which it believes exist in the maintenance, repair and replacement program. If the specified defects are not reasonably corrected within 90 days subsequent to the receipt of such notice, then, and in that event, the mortgagee upon written notice to the registered agent that it is exercising its proxy rights hereunder, and thereafter shall have the right to attend succeeding annual or special meetings of the Association of Unit Owners. At such meetings it shall have the right to cast a vote, for each unit on which it holds a mortgage lien, on all business coming before such meeting, which said proxy right shall continue

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until the defects listed on the aforementioned notice are corrected.

The Association of Unit Owners shall have the right, to be exercised by the Board of Directors, or the Manager employed by the Board of Directors, to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, to make emergency repairs therein necessary for the public safety, to prevent damage to the common elements or to another unit, or to abate any nuisance existing in any unit.

A reserve fund shall be established for the initial months of the Property operation equal to at least a two months' estimated common area maintenance charge for each unit. Each unit's share of the reserve fund shall be collected and transferred to the Association of Unit Owners not later than the time a Unit Owner takes possession of his or her unit, and shall be maintained in a segregated account for the use and benefit of the Association of Unit Owners. The purpose of the fund is to ensure that the Association of Unit Owners will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board of Directors. Amounts paid into the reserve fund shall not be considered as advance payments of regular assessments.

A separate reserve fund shall be established for replacement of those common elements all or part of which will normally require replacement in more than three and less than 30 years, in accordance with ORS 100.175. This reserve shall be in addition to and held separately from the reserve for common expenses. The replacement reserve shall be funded by assessments against the individual unit assessed for maintenance of the items for which the replacement reserve is established, which assessments will accrue from the time of conveyance of the first unit. The Association of Unit Owners shall have all rights and obligations set forth in ORS 100.175 with respect to the replacement reserve.

SECTION 13. ADOPTION OF BYLAWS


The Declarants have adopted, pursuant to the requirements of the Oregon Condominium Act, the Bylaws attached hereto, marked Exhibit "C", to govern the administration of the Property.

The Bylaws may be amended from time to time as provided therein.

SECTION 14. COMPLIANCE WITH BYLAWS AND OTHER RESTRICTIONS

Each Unit Owner shall comply with the Bylaws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions in this Declaration or in the deed to his or her unit. Failure to comply

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therewith shall be grounds for an action maintainable by the Association of Unit Owners or by an aggrieved Unit Owner, in addition to other sanctions which may be provided by the Bylaws or by the administrative rules and regulations. Unit Owners shall have similar rights of action against the Association of Unit Owners.

SECTION 15. PERSON TO RECEIVE SERVICE OF PROCESS IN CERTAIN CASES

Service of process in any action relating to the common elements or to more than one unit in cases provided in subsection (1) of ORS 100.550 shall be made upon:

Neal Huston
1950 NE Putnam
Bend, OR 97701

or the designated agent named in the Condominium Information Report which will be filed with the Secretary of State in accordance with ORS 100.250(1).

SECTION 16. EASEMENTS AND OTHER INTERESTS

The Association of Unit Owners, pursuant to ORS 100.404(5), has the authority to execute, acknowledge, deliver and record on behalf of the Unit Owners, permits, easements, rights-of-way, licenses and other similar interests affecting the general common elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Property. The granting of any interest pursuant to this Section 16 shall be first approved by a least 75 percent of the Unit Owners. The instrument granting an interest pursuant to this Section 16 shall be executed and acknowledged by the Chairman and Secretary and shall state that such granting was approved by at least 75 percent of the Unit Owners.

SECTION 17. APPORTIONMENT OF RECEIPTS AND EXPENSES

The receipts of the Property shall be distributed among and the common expenses shall be charged to the Unit Owners according to their respective interests in the common elements. Assessments shall first commence upon occupancy of the first unit. Receipts by Unit Owners for rental of their unit shall not constitute common receipts. No Unit Owner shall be exempt from liability for contribution toward the Common Expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his or her unit.

SECTION 18. LIEN OF ASSOCIATION AGAINST UNIT

The Board of Directors shall have the authority and the duty

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to levy and enforce the collection of (i) general and special assessments for Common Expenses, and (ii) assessments for the reserve for replacement of common elements as provided in ORS 100.175. Whenever the Association of Unit Owners levies any assessment for Common Expenses or replacement reserves against a unit, the Association of Unit Owners, upon complying with this section, shall have a lien upon the individual unit and the undivided interest in the common elements appertaining to such unit for any unpaid assessments and interest as provided in ORS 100.450(2)(b), plus costs and reasonable attorneys' fees, and the lien shall be prior to all other liens or encumbrances upon the unit, except:


- a. Tax and public improvement assessment liens, and
- b. A first mortgage or trust deed of record.

Each assessment shall be a separate and personal debt and obligation of the Unit Owner against whom the same is assessed at the time the assessment fell due and shall be collectible as such. Such personal obligation shall not pass to successors in title unless assumed by them or required by law. The Board of Directors shall cause to be filed a notice of lien claim pursuant to ORS 100.450 with respect to any assessment which has not been paid within 30 days from the mailing of the notice of assessment. The notice of lien claim shall be filed within 10 days following the expiration of such 30 day period. The Association of Unit Owners shall be entitled to recover, in any suit to foreclose or action to recover a money judgment for unpaid Common Expenses, interest on the delinquent assessment at the rate of ten percent per annum and costs, including reasonable attorneys' fees in such suit or action or any appeal therefrom.

A lien for assessments shall not be affected by any sale or transfer of a unit, except that a sale or transfer pursuant to a foreclosure of a first mortgage or trust deed shall extinguish a subordinate lien for assessments which become payable prior to such sale or transfer. The lien of such delinquent assessments which were extinguished pursuant to the foregoing provision may be reallocated and assessed to all units as a Common Expense, provided, however, that extinguishment of a lien and reallocation of an assessment shall not relieve any personal liability of the owner against whom the assessment was levied. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a unit from liability for, nor the unit from the lien of, an assessment made thereafter.

In case of foreclosure, the Unit Owner shall be required to pay a reasonable rental for the unit; and the plaintiff in the foreclosure suit shall be entitled to the appointment of a receiver to collect the rental, without regard to the value of the security. An action to recover a money judgment, together

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with reasonable attorneys' fees for unpaid Common Expenses, may be maintained without foreclosing or waiving the lien securing the claim for common proceeds.

SECTION 19. POWER OF ASSOCIATION TO BID AT FORECLOSURE SALE

In any suit to foreclose a lien against a unit, the Board of Directors or the Manager, acting on behalf of the Association of Unit Owners, shall have power to bid on the unit at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

SECTION 20. INSURANCE

The Association of Unit Owners, by and through the Board of Directors, shall obtain and keep in effect at all times insurance coverage as specified in the Bylaws.

The Board of Directors shall not be responsible for procuring fire and extended coverage insurance covering the furniture, equipment or contents located in the individual units.

The insurance obtained by the Association of Unit Owners, by and through the Board of Directors, as required by this section shall be a Common Expense.

SECTION 21. DAMAGE OR DESTRUCTION

If the buildings or any improvements on the Property are damaged, destroyed or partially condemned, the Board of Directors shall immediately proceed to rebuild and restore the building or buildings so damaged, destroyed or partially condemned so that the same will be returned to substantially the same condition in which the building or buildings existed prior to such damage, destruction or partial condemnation. Each unit and the general and limited common elements shall have substantially the same vertical and horizontal boundaries as before, unless 100 percent of all the Unit Owners, plus 100 percent of all Eligible Mortgage Holders agree that the Property shall not be rebuilt and restored. If the Property is to be rebuilt and restored and the insurance proceeds are insufficient to rebuild and restore, the Unit Owners shall be liable for assessment for any deficiency as a Common Expense. If 100 percent of all the Unit Owners and Eligible Mortgage Holders agree that the Property shall not be rebuilt or restored, the Property shall be considered removed from the provisions of the Oregon Condominium Act in accordance with ORS 100.605.

The Association of Unit Owners, through a trustee appointed for such purpose, shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the

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common areas or part thereof. In the event of a taking or acquisition of part or all of the common areas by a condemning authority, the award or proceeds of settlement shall be payable to the Association of Unit Owners, or any trustee, for the use and benefit of the Unit Owners and their mortgagees as their interests may appear.

SECTION 22. EASEMENTS FOR ENCROACHMENT

If any part of the common elements now or hereafter encroaches upon any unit or if any unit now or hereafter encroaches upon any other unit or upon any portion of the common elements, an easement for such encroachment and the maintenance thereof, as long as it continues, shall exist. In the event a unit or a building containing units shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any unit, any unit upon any other unit, or upon any portion of the common elements due to the construction shall be permitted as set forth in ORS 100.520 and easements for such encroachments and the maintenance thereof shall exist.

SECTION 23. MORTGAGEE PROTECTION/NOTICE TO MORTGAGEE


The liens created hereunder upon any unit shall be subject to and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage or deed of trust (meaning a mortgage with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Section 18 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments whether regular or special, assessed hereunder to such purchaser as Unit Owner after the date of such foreclosure sale, which lien, if any is claimed, shall have the same effect and be enforced in the same manner as provided herein.

Upon written request to the Association of Unit Owners, identifying the name and address of the Eligible Mortgage Holder, insurer or guarantor and the unit number or address, any such Eligible Mortgage Holder or eligible insurer or guarantor shall be entitled to timely written notice of:

a. Any condemnation loss or any casualty loss which affects a material portion of the Property or any unit on which there is a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or eligible insurer or guarantor, as applicable;

b. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or

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eligible insurer or guarantor, which remains uncured for a period of 60 days;

c. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association of Unit Owners; or

d. Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified herein.

No amendment to this section shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

SECTION 24. LIMITS ON USE OF UNITS AND COMMON ELEMENTS


Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance on the project without the prior written consent of the Board of Directors. No owner shall permit anything to be done or kept in his or her unit which will result in the cancellation of the insurance of any part of the project. The Board of Directors shall have the power to adopt rules and regulations for use of the common elements and there shall be no violation of such rules.

SECTION 25. AMENDMENT

Except as otherwise provided in the Oregon Condominium Act, no amendment may change the allocation of undivided interests in the common elements, method of determining liability for Common Expenses, right to common profits or voting rights of any unit as expressed in this Declaration unless such amendment has been approved by the owners of the affected units, and such unit Owners shall record an amendment to this Declaration setting forth the altered percentage of each Unit Owner having an interest and the amendment is approved by the Real Estate Commissioner if required by law.

Except as hereinabove provided, this Declaration may be amended consistent with the provisions of the Oregon Condominium Act by the affirmative vote of 75 percent of the voting rights at the annual meeting of the Association of Unit Owners, or at any special meeting called for such purpose, or by written proxy or written consent of 75 percent of the voting rights. Such amendment shall be effective upon the recordation of an instrument executed and acknowledged by the Chairman and Secretary of the Association of Unit Owners with the Deschutes County Recording Officer, setting forth such amendment in full and the amendment is approved by the Real Estate Commissioner if required by law.

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The approval of 100 percent of Eligible Mortgage Holders holding first mortgages on the units shall be required to terminate the legal status of the Property as a condominium or to add or amend any material provisions for the Declaration or Bylaws which establish, provide for, govern or regulate any of the following: voting; assessments, assessment liens or subordination of such liens; reserves for maintenance, repair and replacement of the common areas (or units if applicable); insurance or fidelity bonds; rights to use of the common areas; responsibility for maintenance and repair of the several portions of the Property; expansion or contraction of the Property or the addition annexation or withdrawal of real or personal property to or from the Property; boundaries of any unit; the interests in the general or limited common areas; convertibility of units into common areas or of common areas into units; leasing of units; imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer or otherwise convey his or her unit; and any provisions which are for the express benefit of mortgage holders, Eligible Mortgage Holders or eligible insurers or guarantors of first mortgages on units.

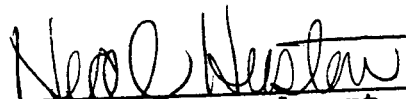
For purposes of the foregoing paragraph, an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. An Eligible Mortgage Holder who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within 30 days shall be deemed to have approved such request.

SECTION 26. RESTRICTIONS

a. No wood burning stove, fireplace or furnace shall be allowed in any unit.

b. No Unit Owner, tenant or other person using any unit shall be allowed to keep a pet in any unit at any time including, but not limited to, common household pets such as dogs, cats, birds and reptiles.

IN WITNESS WHEREOF the undersigned has executed this Declaration this 30 day of September, 1993.


NEAL HUSTON, Declarant


JENNIFER RALSTON-BLAIR
Declarant

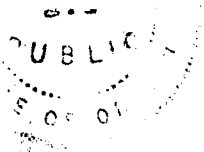
STATE OF OREGON, County of Deschutes, ss:
Before me on September 28, 1993, the undersigned, a

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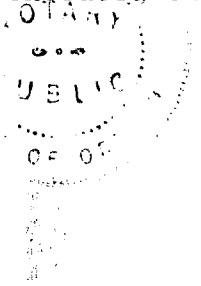
Notary Public in and for said county and state, personally appeared NEAL HUSTON and acknowledged to me that he executed the within instrument.



Danna Olsen
Notary Public for Oregon
My Commission Expires 5/28/94

STATE OF OREGON, County of Deschutes, ss:

Before me on October 1, 1993, the undersigned, a Notary Public in and for said county and state, personally appeared JENNIFER RALSTON-BLAIR and acknowledged to me that she executed the within instrument.

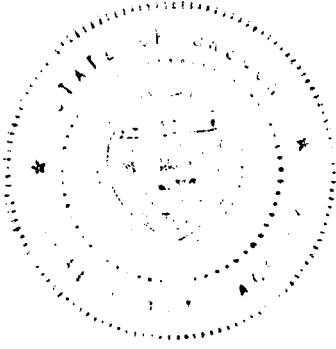


Danna Olsen
Notary Public for Oregon
My Commission Expires 5/28/94

Timi Warrall
COUNTY ASSESSOR

[Signature]
COUNTY TAX COLLECTOR

The foregoing Declaration is approved pursuant to ORS 100.110 this 14th day of February, 1994.



MORELLA LARSEN
REAL ESTATE COMMISSIONER

By Stan F. Mayfield

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Holmes Hurley Bryant Lovien ☒ Lynch
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EXHIBIT "A"

Lot 7, OFFICE PARK AT MT. BACHELOR VILLAGE, in the North 1/2 of Section 7, Township 18 South, Range 12 East, Willamette Meridian, City of Bend, Deschutes County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron rod with a plastic cap stamped "CWEC" at the southerly most corner of Lot 7, said 5/8" iron rod also being the "Initial Point" for this plat, (which bears South 20°11'10" East, 667.82 feet from the a 2" brass cap marking the North One-Quarter corner of said Section 7); thence following the boundary of Lot 7 the following four courses an one curve:

North 62°35'37" West, 278.49 feet to a point on the easterly right-of-way of Village Office Court; thence following said right-of-way the following curve and course:

Around a 180.74 foot radius curve right 34.99 feet (chord bears North 46°55'21" East, 34.94 feet) to a 5/8" iron rod; North 52°33'39" East, 103.56 feet to a 5/8" iron rod with a plastic cap stamped "CWEC";

Thence leaving said right-of-way and following said boundary of Lot 7 South 54°34'40" East, 130.67 feet to a 5/8" iron rod with a plastic cap stamped "CWEC"; South 16°16'36" South, 137.54 feet to the point of beginning and terminus of this description, containing 0.525 acres more or less.

EXHIBIT "A"

Holmes Hurley Bryant Lowden & Lynch

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HUSTON OFFICE

LOCATED IN: LOT
IN T1
TOWNSHIP 18 SOUTH
CITY OF E

SURVEYOR'S CERTIFICATE:

I, PHILIP R. BALDNER, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF OREGON, HEREBY STATE THAT THIS SURVEY WAS PERFORMED BY ME OR UNDER MY DIRECTION IN COMPLIANCE WITH OREGON REVISED STATUTES CHAPTERS 92, 93, 100 AND 209 IN OCTOBER, 1993, AT THE REQUEST OF NEAL HUSTON AND THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS THE LAND REPRESENTED ON THIS PLAT OF THE "HUSTON/RALSTON OFFICE CONDOMINIUM" LOCATED IN LOT 7, "OFFICE PARK AT MT. BACHELOR VILLAGE", IN THE NORTH 1/2 OF SECTION 7, TOWNSHIP 18 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, CITY OF BEND, DESCHUTES COUNTY, OREGON, AND THAT THE PLAT FULLY AND ACCURATELY DEPICTS THE BOUNDARIES OF THE BUILDING AND THAT CONSTRUCTION OF THE UNITS AND BUILDING AS DEPICTED ON THE PLAT HAVE BEEN COMPLETED, THAT A 5/8" IRON ROD EXISTS AT THE "INITIAL POINT" AND THE PROPERTY PLATTED IS DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" IRON ROD WITH A PLASTIC CAP STAMPED "CWEC" AT THE SOUTHERLY MOST CORNER OF LOT 7, SAID 5/8" IRON ROD ALSO BEING THE "INITIAL POINT" FOR THIS PLAT, (WHICH BEARS SOUTH 20°11'10" EAST, 677.82 FEET FROM THE A 2" BRASS CAP MARKING THE NORTH ONE-QUARTER CORNER OF SAID SECTION 7;) THENCE FOLLOWING THE BOUNDARY OF LOT 7 THE FOLLOWING FOUR COURSES AND ONE CURVE:

NORTH 62°35'37" WEST, 278.49 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF VILLAGE OFFICE COURT; THENCE FOLLOWING SAID RIGHT-OF-WAY THE FOLLOWING CURVE AND COURSE:

AROUND A 180.74 FOOT RADIUS CURVE RIGHT 34.99 FEET (CHORD BEARS NORTH 46°55'21" EAST, 34.94 FEET) TO A 5/8" IRON ROD; NORTH 52°33'39" EAST, 103.56 FEET TO A 5/8" IRON ROD WITH A PLASTIC CAP STAMPED "CWEC";

THENCE LEAVING SAID RIGHT-OF-WAY AND FOLLOWING SAID BOUNDARY OF LOT 7 SOUTH 50°34'40" EAST, 130.67 FEET TO A 5/8" IRON ROD WITH A PLASTIC CAP STAMPED "CWEC"; SOUTH 16°16'36" EAST, 137.54 FEET TO THE POINT OF BEGINNING AND TERMINUS OF THIS DESCRIPTION, CONTAINING 0.525 ACRES MORE OR LESS.

SUBJECT TO: ALL EASEMENTS, RESTRICTIONS, AND RIGHT-OF-WAY OF RECORD AND THOSE COMMON AND APPARENT ON THE LAND.

BY: Philip R. Baldner 1/24/94

PHILIP R. BALDNER PLS 2489

DATE

DECLARATION:

NEAL G. HUSTON AND JENNIFER A. RALSTON BLAIR OWNERS IN FEE SIMPLE OF THE LAND SHOWN ON THIS CONDOMINIUM PLAT OF THE "HUSTON/RALSTON OFFICE CONDOMINIUM" AND MORE PARTICULARLY DESCRIBED IN THE SURVEYOR'S CERTIFICATE HEREUNTO ATTACHED, HAVE CAUSED SAID LAND TO BE PLATTED AS SHOWN ON SUCH PLAT AND DECLARE THE CONDOMINIUM PLAT OF "HUSTON/RALSTON OFFICE CONDOMINIUM" TO BE A CORRECT PLAT AS LOCATED IN LOT 7, OFFICE PARK OF MOUNT BACHELOR VILLAGE, CITY OF BEND, DESCHUTES COUNTY, OREGON, AND THAT THE PROPERTY AND IMPROVEMENTS DESCRIBED AND DEPICTED ON THE PLAT ARE SUBJECT TO THE PROVISIONS OF THE OREGON CONDOMINIUM ACT ORS. 100.005 AND 100.625 AND BANK OF THE CASCADES, BENEFICIARY UNDER DEED OF TRUST, DATED APRIL 6, 1993 AND RECORDED APRIL 12, 1993 IN VOL. 295, PAGE 0449, DESCHUTES COUNTY RECORDS, HEREBY CONSENT TO THE CONDOMINIUM PLATTING OF LOT 7, OFFICE PARK AT MOUNT BACHELOR VILLAGE, CITY OF BEND, DESCHUTES COUNTY, OREGON AND TO DECLARATION OF CONDOMINIUM PLAT.

NEAL G. HUSTON

DATE

JENNIFER A. RALSTON BLAIR

DATE

ROGER SHIELDS, PRESIDENT--BANK OF THE CASCADES

DATE

AND SIGNED

Philip R. Baldner
REGISTERED PROFESSIONAL LAND SURVEYOR
PLS 2489

EXP. 12/31/95
PREPARED

HWA SURVEY & I

HICKMAN, WILLIAMS & I
20370 EMPIRE AVE., SUITE C-4
PHONE (503) 389-

HUSTON/RALSTON CONDOMINIUM

330 - 0266

7, OFFICE PARK AT MT. BACHELOR VILLAGE
THE NORTH 1/2 OF SECTION 7,
T4N, R12E, RANGE 12 EAST, WILLAMETTE MERIDIAN,
BEND, DESCHUTES COUNTY, OREGON

ACKNOWLEDGEMENT:

STATE OF OREGON }
COUNTY OF DESCHUTES }

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON February 3, 1994
BY NEAL G. HUSTON

Chris J. Huston
NOTARY PUBLIC FOR THE STATE OF OREGON

March 18, 1994
MY COMMISSION EXPIRES

ACKNOWLEDGEMENT:

STATE OF OREGON }
COUNTY OF DESCHUTES }

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON February 3, 1994
BY JENNIFER A. RALSTON BLAIR

Chris J. Huston
NOTARY PUBLIC FOR THE STATE OF OREGON

March 18, 1994
MY COMMISSION EXPIRES

ACKNOWLEDGEMENT:

STATE OF OREGON }
COUNTY OF DESCHUTES }

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON February 7, 1994
BY Roger Shields, President of Bank of the Cascades

Debbie R. Cheney
NOTARY PUBLIC FOR THE STATE OF OREGON

6/30/94
MY COMMISSION EXPIRES

APPROVALS:

THE PLAT OF "HUSTON/RALSTON OFFICE CONDOMINIUM", AS LOCATED IN THE CITY OF BEND,
DESCHUTES COUNTY, OREGON, HAS BEEN EXAMINED AND APPROVED.

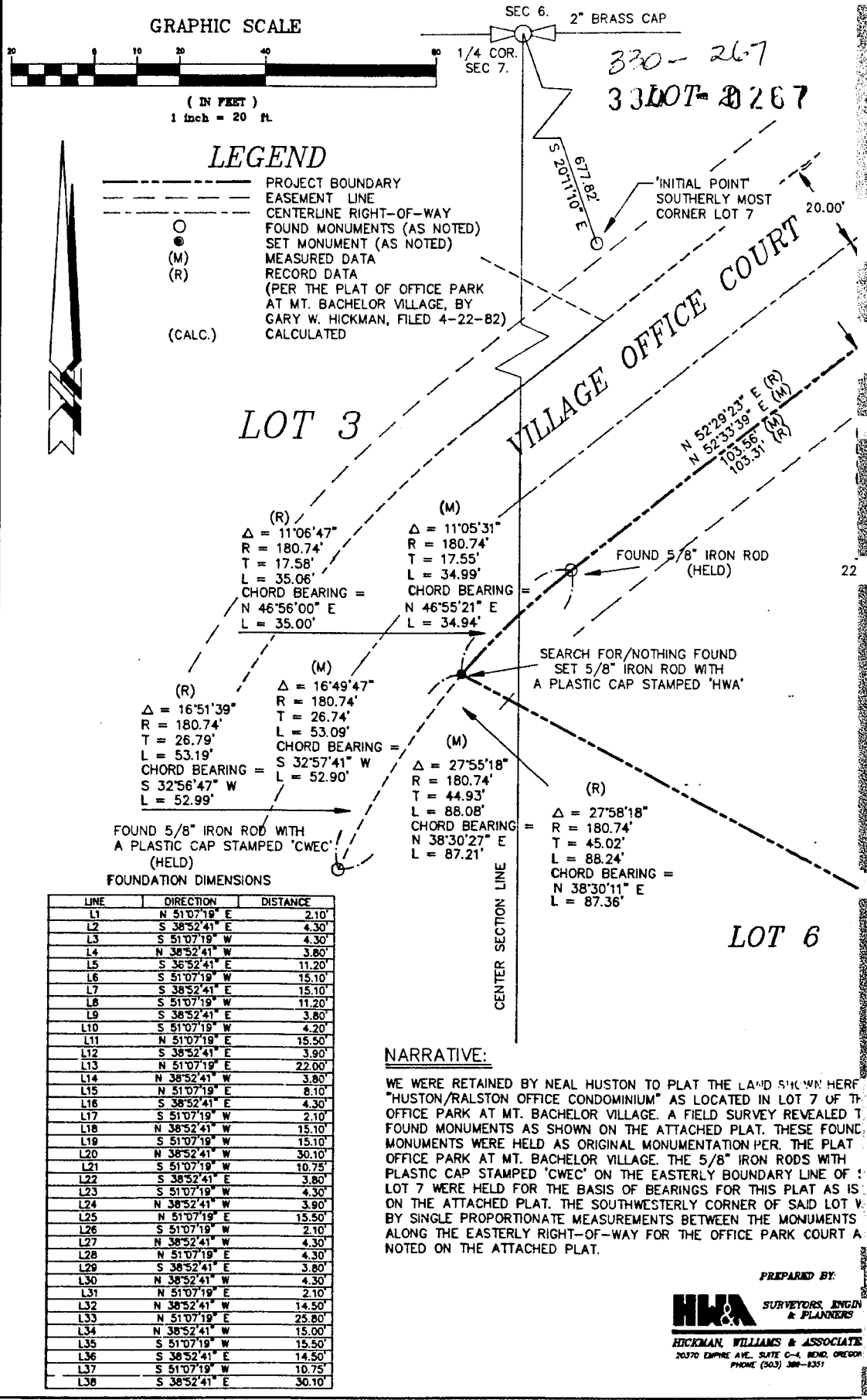
<u>Jeff Kern</u>	<u>2/9/94</u>
DESCHUTES COUNTY SURVIVOR	DATE
<u>Thomas J. Nelson</u>	<u>2-14-94</u>
CITY OF BEND ENGINEER	DATE
<u>Ken Howell</u>	<u>8-11-94</u>
DESCHUTES COUNTY ASSESSOR	DATE
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES AND SPECIAL ASSESSMENTS, FEES AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE 1993-1994 TAX ROLL WHICH BECAME A LIEN ON THIS SUBDIVISION OR WILL BECOME A LIEN DURING THIS CALENDAR YEAR HAVE BEEN PAID TO ME.	
<u>Debbie R. Cheney</u>	<u>2-9-94</u>
DESCHUTES COUNTY TAX COLLECTOR	DATE
I HEREBY CERTIFY THAT ALL TAXES ARE PAID AS OF THIS DATE	
<u>John H. Smith</u>	<u>2/15/94</u>
CITY OF BEND PLANNING DIRECTOR	DATE
<u>Bernard S. Smith</u>	<u>2/16/94</u>
DESCHUTES COUNTY COMMISSIONER	DATE
<u>Timmy</u>	<u>2/16/94</u>
DESCHUTES COUNTY COMMISSIONER	DATE
DESCHUTES COUNTY COMMISSIONER	DATE

WATER RIGHTS NOTE:

NO WATER RIGHTS EXIST WITHIN THE BOUNDARY OF THIS PLAT.

BY Jennifer A. Ralston Blair 2/7/94
DATE

SHEET 1 OF 4
930909P1



LINE	DIRECTION	DISTANCE
L1	N 51°07'19" E	2.10'
L2	S 38°52'41" E	4.30'
L3	S 51°07'19" W	4.30'
L4	N 38°52'41" W	3.80'
L5	S 38°52'41" E	11.20'
L6	S 51°07'19" W	15.10'
L7	S 38°52'41" E	15.10'
L8	S 51°07'19" W	11.20'
L9	S 38°52'41" E	3.80'
L10	S 51°07'19" W	4.20'
L11	N 51°07'19" E	15.50'
L12	S 38°52'41" E	3.90'
L13	N 51°07'19" E	22.00'
L14	N 38°52'41" W	3.80'
L15	N 51°07'19" E	8.10'
L16	S 38°52'41" E	4.30'
L17	S 51°07'19" W	2.10'
L18	N 38°52'41" W	15.10'
L19	S 51°07'19" W	15.10'
L20	N 38°52'41" W	30.10'
L21	S 51°07'19" W	10.75'
L22	S 38°52'41" E	3.80'
L23	S 51°07'19" W	4.30'
L24	N 38°52'41" W	3.90'
L25	N 51°07'19" E	15.50'
L26	S 51°07'19" W	2.10'
L27	N 38°52'41" W	4.30'
L28	N 51°07'19" E	4.30'
L29	S 38°52'41" E	3.80'
L30	N 38°52'41" W	4.30'
L31	N 51°07'19" E	2.10'
L32	N 38°52'41" W	14.50'
L33	N 51°07'19" E	25.80'
L34	N 38°52'41" W	15.00'
L35	S 51°07'19" W	15.50'
L36	S 38°52'41" E	14.50'
L37	S 51°07'19" W	10.75'
L38	S 38°52'41" E	30.10'

NARRATIVE:

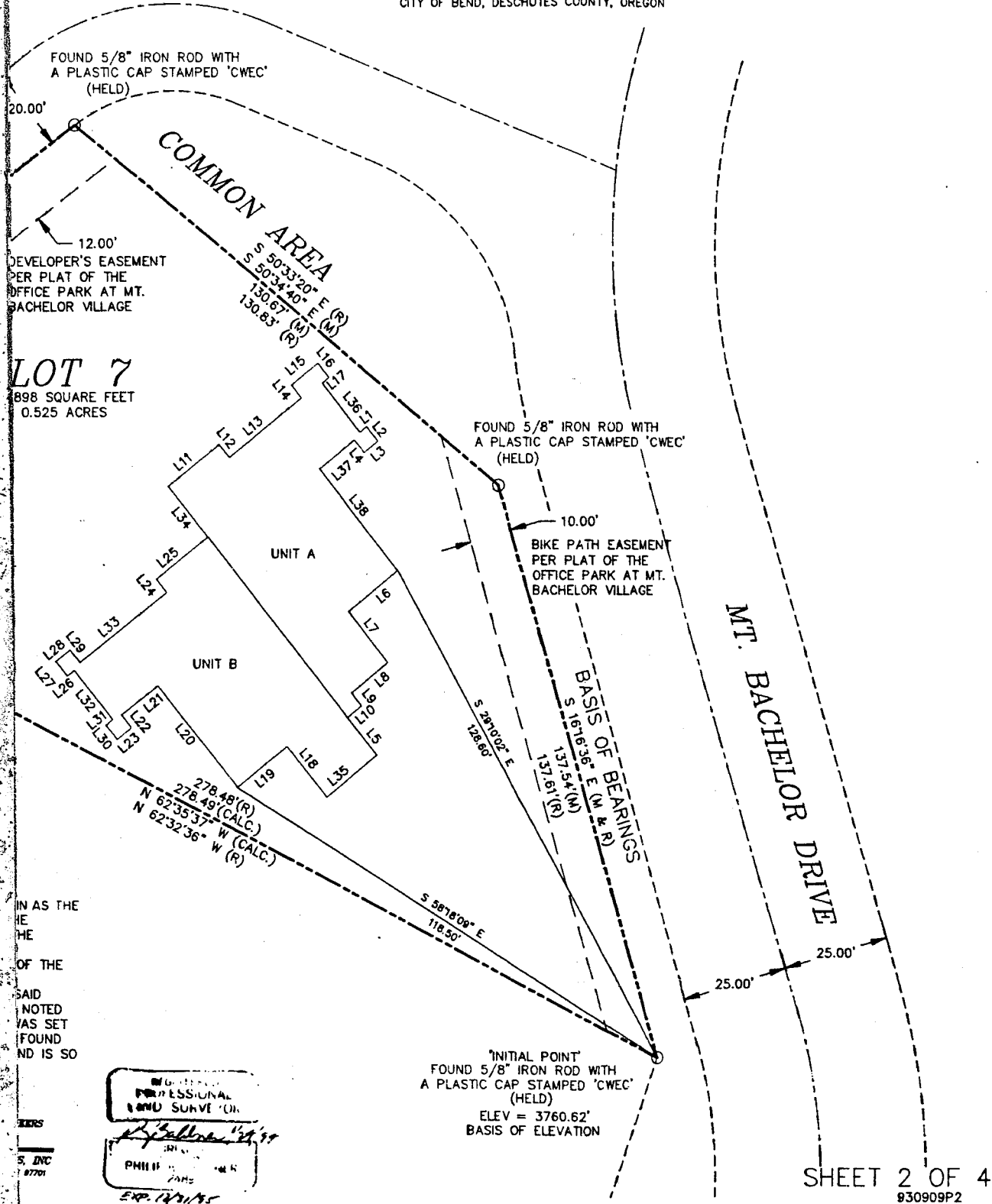
WE WERE RETAINED BY NEAL HUSTON TO PLAT THE LAND SHOWN HERE "HUSTON/RALSTON OFFICE CONDOMINIUM" AS LOCATED IN LOT 7 OF THE OFFICE PARK AT MT. BACHELOR VILLAGE. A FIELD SURVEY REVEALED THE FOUND MONUMENTS AS SHOWN ON THE ATTACHED PLAT. THESE FOUND MONUMENTS WERE HELD AS ORIGINAL MONUMENTATION PER THE PLAT OFFICE PARK AT MT. BACHELOR VILLAGE. THE 5/8" IRON RODS WITH PLASTIC CAP STAMPED 'CWEC' ON THE EASTERLY BOUNDARY LINE OF LOT 7 WERE HELD FOR THE BASIS OF BEARINGS FOR THIS PLAT AS IS ON THE ATTACHED PLAT. THE SOUTHWESTERLY CORNER OF SAID LOT 7 BY SINGLE PROPORTIONATE MEASUREMENTS BETWEEN THE MONUMENTS ALONG THE EASTERLY RIGHT-OF-WAY FOR THE OFFICE PARK COURT AS NOTED ON THE ATTACHED PLAT.

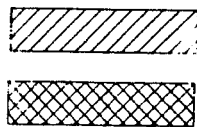
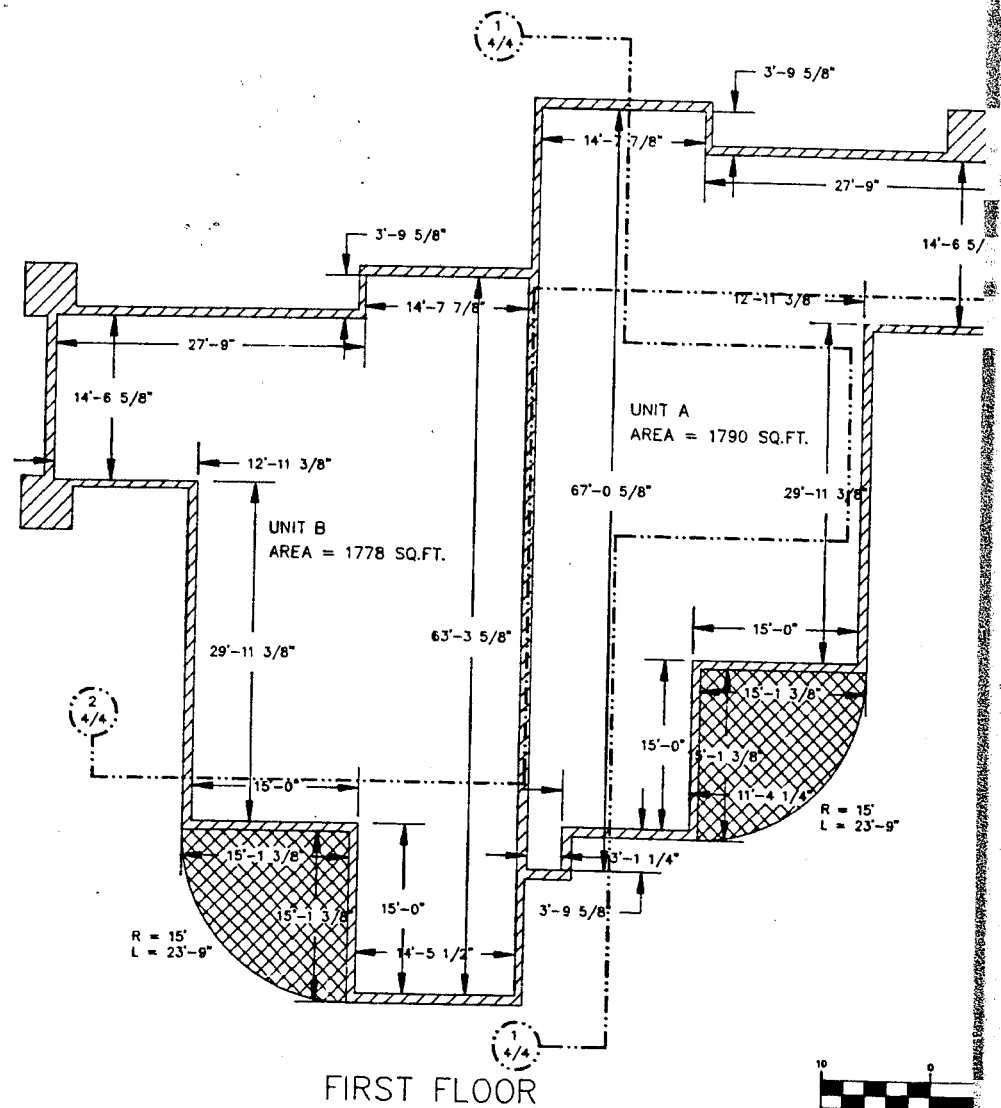
PREPARED BY:
HWA
SURVEYORS, ENGINEERS & PLANNERS
HICKMAN, WILLIAMS & ASSOCIATES
20370 EMPIRE AVE., SUITE C-4, BEND, OREGON
PHONE (503) 388-8351

HUSTON/RALSTON 330 - 0268

OFFICE CONDOMINIUM

LOCATED IN: LOT 7, OFFICE PARK AT MT. BACHELOR VILLAGE
IN THE NORTH 1/2 OF SECTION 7,
TOWNSHIP 18 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN,
CITY OF BEND, DESCHUTES COUNTY, OREGON

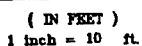




DENOTES COMMON ELEMENT

DENOTES LIMITED COMMON ELEMENT

D IN: LOT 7, OFFICE PARK AT MT. BACHELOR VILLAGE
 IN THE NORTH 1/2 OF SECTION 7,
 1/4 18 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN,
 CITY OF BEND, DESCHUTES COUNTY, OREGON



PREPARED BY:

HWA
SURVEYORS, ENGINEERS
& PLANNERS

HICKMAN, WILLIAMS & ASSOCIATES, INC.
20370 EMPIRE AVE., SUITE C-4, BEND, OREGON 97701
PHONE (503) 308-8351

PROFESSOR
LAND SURVEY

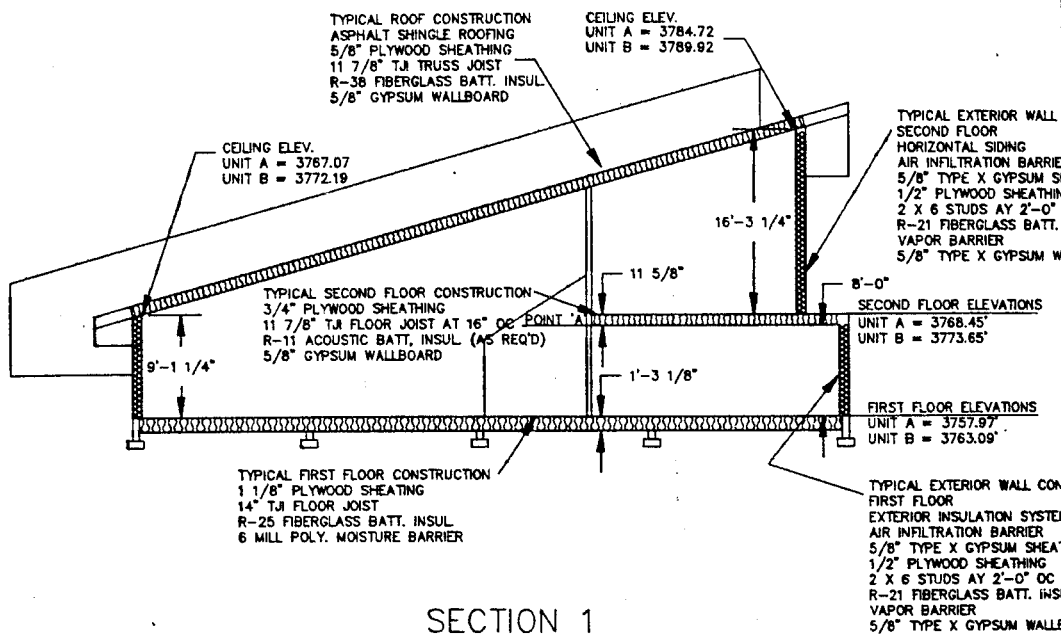
11/2 Baltimore 1/29/95
DRI
PHILIP
2028
E.N. 12/31/95

SHEET 3 OF 4
930909P3

330 - 0271

HUST OFFICE

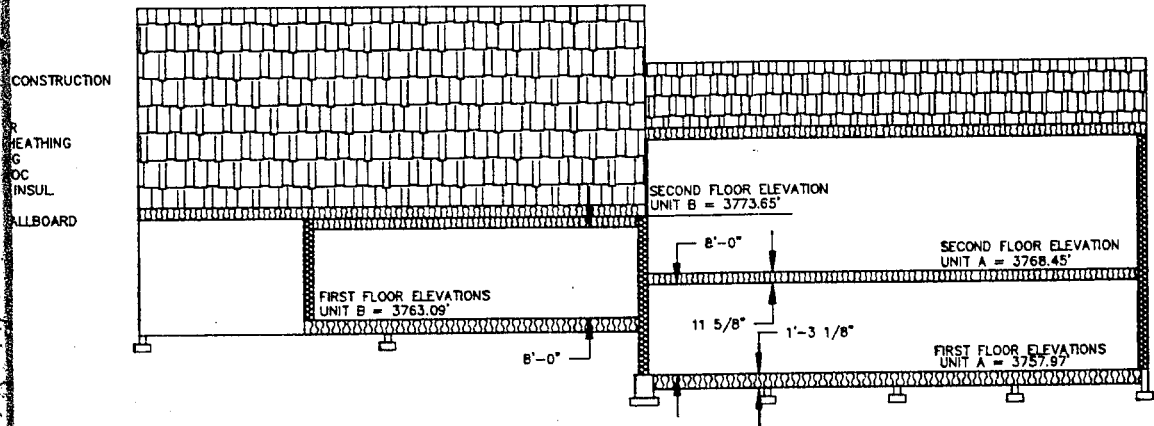
LOCATED IN: L
H
TOWNSHIP 18 S
CITY C



TON/RALSTON CONDOMINIUM

330 - 0272

LOT 7, OFFICE PARK AT MT. BACHELOR VILLAGE
THE NORTH 1/2 OF SECTION 7,
SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN,
BEND, DESCHUTES COUNTY, OREGON



SECTION 2

GRAPHIC SCALE



(IN FEET)
inch = 10 ft.

PREPARED BY:

WILLIAMS & ASSOCIATES, INC.
SURVEYORS, ENGINEERS
& PLANNERS

1000 N. AVENUE, SUITE C-4, BEND, OREGON 97701
PHONE (503) 339-9351

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Philip R. Baldner
OREGON
PHILIP R. BALDNER
2489

EXP. 7/31/95

SHEET 4 OF 4
930909P4

BYLAWS
OF

ASSOCIATION OF UNIT OWNERS OF HUSTON/RALSTON
OFFICE CONDOMINIUM

WHEREAS, NEAL HUSTON and JENNIFER RALSTON-BLAIR (hereinafter referred to as "Declarants") are the owners of certain real property in Deschutes County, Oregon, upon which they intend to develop an office condominium project known as Huston/Ralston Office Condominium; and

WHEREAS, Declarants have executed a Declaration submitting such real property, together with all improvements constructed thereon (hereinafter referred to as the "Property"), to the provisions, restrictions and limitations of the Oregon Condominium Act, except those provisions applicable only to condominiums containing residential units.

NOW, THEREFORE, Declarants approve and adopt the Bylaws and annex the same to the Declaration, which Bylaws and Declaration shall govern the operation of the Property. These Bylaws shall run with the land and shall be binding on and for the benefit of Declarants, acting as the present Association of Unit Owners, and its successors and assigns, and on all subsequent Unit Owners, and their mortgagees, tenants, occupants, employees and others who may use the Property.

1. DEFINITIONS: As used in these Bylaws, the term:

A. "Association" means all the Unit Owners acting as a group through an unincorporated association in accordance with these Bylaws.

B. "Majority of the Unit Owners" means the owners of more than 50 percent of the voting rights as provided in the Declaration. Whenever a percentage of the Unit Owners is specified, percentage means a percentage of voting rights.

C. "Eligible Mortgage Holder" means a holder of a first mortgage on a unit who has required notice of certain matters from the Association in accordance with Section 23 of the Declaration.

2. ORGANIZATION OF ASSOCIATION: The Association shall be organized as an unincorporated association. The initial meeting of the Association shall be held within 30 days following the recording of these Bylaws. Declarant shall give at least seven but not more than 50 days' written notice of the initial meeting

to all persons who are Unit Owners on the date of mailing of the notice.

3. ASSOCIATION RESPONSIBILITIES: The Association will have the responsibility of administering the Property, approving the annual budget, establishing and collecting assessments, arranging for the operation, management and maintenance of the Property, including negotiating and contracting with and supervising any person, persons, or business entity with respect to such matters, instituting, defending or intervening in litigation or proceedings in its own name or on behalf of two or more Unit Owners on matters affecting the Property, and taking such other actions and exercising such other powers as are authorized by the provisions of ORS 100.405 as the same may be amended from time to time.

4. UNIT OWNERS' MEETINGS:

A. Annual Meetings. The annual meetings of the Association shall be held on March 15th of each year (or on the following business day if March 15th falls on a weekend), unless otherwise set by the Board of Directors. At such meetings, the Association shall, by ballot, elect directors and transact such other business as may come before the meeting. If the election of directors shall not be held on the date designated herein for any annual meeting of the Unit Owners or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Association as soon thereafter as conveniently may be, not more than 60 days after said time, by proper notice designating the meeting as the annual meeting.

B. Special Meetings. Special meetings of the Association for any purpose or purposes may be called by the Chairman or by a majority of the Board of Directors and shall be called by the Chairman at the request of a Unit Owner entitled to vote at the meeting.

C. Place of Meeting. Such place as the Board of Directors may designate shall be the place of meeting for all annual and special meetings of the Unit Owners.

D. Notice of Meeting. Written or printed notice stating the place, date and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than seven nor more than 50 days before the date of the meeting, either personally or by mail, by or at the discretion of the Chairman, the Secretary, or other officer or persons calling the meeting, to each Unit Owner entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Unit Owner at his or her last known

address on the records of the Association, with postage thereon prepaid.

E. Quorum and Voting of Unit Owners. At any meeting of the Association, Unit Owners owning more than 50 percent of the voting rights, present in person or by proxy, shall constitute a quorum; and the concurring vote of a majority of such Unit Owners present and constituting a quorum shall be valid and binding upon the Association, except as otherwise provided by law, these Bylaws, or the Declaration. If less than 50 percent of the voting rights are represented at a meeting, a Majority of the Unit Owners represented may adjourn a meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noted. The Unit Owners present at a duly organized meeting may continue to transact business until adjournment, notwithstanding withdrawals of enough Unit Owners to leave less than a quorum.

If a voting owner owns or represents more than one unit, he or she shall have votes corresponding with each unit which he or she owns or represents. In the event the owner or owners have pledged their votes regarding special matters to a mortgagee under a duly recorded mortgage and notice thereof has been given to the Secretary or manager of the Association, only the vote of the mortgagee will be recognized in regard to the special matters upon which the votes are so pledged.

An administrator, executor, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any unit owned or held by him or her in such capacity, whether or not the same shall have been transferred to his or her name; provided that he or she shall satisfy the Secretary that he or she is the executor, administrator, guardian or trustee holding such unit in such capacity. Whenever any unit is owned by two or more persons jointly, according to the records of the Association, a vote thereof may be exercised by any one of the owners then present, in the absence of protest by a co-owner or as shall be determined by any Co-ownership Agreement. In the event of protest by a co-owner, the vote shall be divided by the number of co-owners, and each co-owner shall cast an equal fractional vote, unless otherwise determined by any Co-Ownership Agreement.

F. Proxies. At all meetings of the Unit Owners, a Unit Owner may vote by proxy executed in writing by the Unit Owner or by his or her duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting.

5. BOARD OF DIRECTORS

A. General Powers. The business and affairs of the Association shall be managed by its Board of Directors, who shall be Unit Owners. The Board shall be responsible for preparing or causing to be prepared and filing any required income tax return or forms for the Association. The Board shall also be responsible for the maintenance, upkeep and repair of the common elements. The number of directors of the Association shall be two. The initial Board of Directors shall be the Declarants. Each director shall hold office for a term of three years expiring on the date of the third annual meeting of Unit Owners following his or her election and upon the election and qualification of his or her successor; provided, however, that a director's term shall expire immediately upon such director ceasing to be a Unit Owner, and the successor to such director's unit ownership shall be appointed to complete such director's term.

B. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice other than this Bylaw immediately after and at the same place as the annual meeting of Unit Owners. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without notice other than such resolution. The initial organizational meeting shall be held immediately following the conveyance of the unit by Declarants to themselves as Unit Owners. Until the initial meeting of the Board, its rights, duties and functions shall be exercised by the Declarants.

C. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of any director. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting called by them.

D. Notice of Special Meetings. Notice of any special meeting shall be given at least 72 hours previous thereto by written notice delivered personally or mailed to each director at his or her residence or business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because a meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meeting of

the Board of Directors need be specified in the notice or waiver of notice of such meeting.

E. Quorum of Directors. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if a director fails to attend, in person or by proxy, two successive meetings of the Board properly called in accordance with these By-laws, the attending director may call a third meeting at which such director may transact business in the absence of a quorum. Each director shall have one vote.

F. Manner of Directors Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, subject to Section 5.E. of these By-laws.

G. Vacancies on Board of Directors. Any vacancy occurring on the Board of Directors shall be filled by the Unit Owner, or the legal representative of the Unit Owner or his or her estate, of the unit owned or formerly owned by the retiring director. If such unit is owned by more than one owner, the vacancy shall be filled by agreement of the co-owners, or in the absence of such agreement, the remaining director shall appoint one of the co-owners as director. A director selected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any directorship to be filled by reason of an increase in the number of directors or by reason of the removal of one or more directors shall be filled by election at an annual meeting or at a special meeting of the Unit Owners called for that purpose.

H. Presumption of Assent. A director who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

I. Removal of Directors. All or any number of directors may be removed with or without cause at a meeting expressly called for that purpose by a vote of a Majority of the Unit Owners then entitled to vote at an election of directors. Any director who ceases to be a Unit Owner shall cease to be a director.

J. Reimbursement of Directors. The directors may be

reimbursed for their reasonable expenses related to attendance at meetings of the directors.

K. Directors May Engage Manager. The Board of Directors may retain the services of an individual or firm to act as Manager or Managing Agent and may employ, or instruct such Manager or Managing Agent to employ, such other persons as may be necessary from time to time for the maintenance, upkeep and repair of the common elements. All such agreements shall provide for a term not to exceed three years and may be terminated, with or without cause, upon 90 days notice to all parties affected. When professional management has been previously required by any Eligible Mortgage Holder or eligible insurer or guarantor, whether such entity becomes an Eligible Mortgage Holder or eligible insurer or guarantor at that time or after, any decision to establish self-management by the Association shall require the prior consent of a majority of Unit Owners and a majority of Eligible Mortgage Holders.

L. Directors to Adopt Administrative Rules and Regulations. The Board of Directors shall have the power to adopt and amend such administrative rules and regulations as may be necessary or desirable to govern the details of the operation and use of the units and common elements, including such rules as are desirable to prevent unreasonable interference with the use of the respective units and of the common elements by all Unit Owners. Such rules and regulations shall be binding as though they are a part hereof.

M. Attendance by Unit Owners. All meetings of the Board of Directors of the Association shall be open to Unit Owners.

N. Annual Report and Amendment. The Association shall file an annual report and any amendment to reports required under ORS 100.250(1) with the Secretary of State in accordance with ORS 100.250.

6. OFFICERS

A. Number. The officers of the Association shall be a Chairman and a Secretary/Treasurer (which shall constitute one office), each of whom shall be elected by the Board of Directors. Both offices may be held by the same person.

B. Election and Term of Office. The officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Unit Owners. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as is convenient. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified,

or until his or her death, or until he or she shall resign or shall have been removed in the manner herein provided.

C. Removal. Any officer elected or agent designated by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the persons so removed.

D. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise shall be filled by the Board of Directors for the unexpired portion of a term.

E. Chairman. The Chairman shall, when present, preside at all meetings of the Unit Owners and the Board of Directors and shall perform all duties incident to such office and such other duties as may be prescribed by the Board of Directors from time to time. He or she shall be the principal executive officer of the Association and subject to the control of the Board of Directors. He or she shall, in general, supervise and control all the business and affairs of the Association and sign with the Secretary/Treasurer, or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed.

F. Secretary/Treasurer. The Secretary/Treasurer shall:

(i) Keep the minutes of the meetings of Unit Owners and the Board of Directors in one or more books provided for that purpose;

(ii) See that all notices are duly given in accordance with the provisions of these By-laws, or as required by law;

(iii) Be custodian of the Association records;

(iv) Have charge and custody of and be responsible for all funds of the Association;

(v) Receive and give receipts for monies due and payable to the Association from any source whatsoever;

(vi) Deposit all monies in the name of the Association in such banks, trust companies or other

depositories as shall be selected by the Board of Directors; and

(vii) In general, perform all the duties incident to the office of the Secretary/Treasurer and such other duties as from time to time may be assigned to him or her by the Chairman or the Board of Directors.

7. FIDELITY BONDS. The Association, through the Board of Directors, may require that all officers, directors, employees and agents of the Association handling or responsible for its funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be common expenses.

8. RECORDS AND AUDIT. The Association shall keep financial records sufficient for proper recording purposes. The Board of Directors may appoint a certified public accountant or certified public accounting firm as auditor, who shall not be an officer of the Association or own any interest in any unit, to audit the books and financial records of the Association. Within 90 days after the end of each fiscal year, the Board of Directors 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 fiscal year. The Association shall make available to the Unit Owners and lenders, and to holder, insurers or guarantors of any first mortgage, for their inspection, upon request, during normal business hours or under other reasonable circumstances, current copies of the Declaration, By-laws, and other rules concerning the Property and the books, records and financial statements of the Association. The Association of Unit Owners shall retain the documents, information and records delivered to the Association by the Declarants at the turnover meeting. Said documents, information and records and all other records of the Association of Unit Owners shall be reasonably available for examination by a Unit Owner and any mortgagee of a unit upon written request.

9. CONTRACTS. The Board of Directors may authorize any officer or director, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association; and such authority may be general or confined to specific instances. The Board shall have the right to make additions, alterations, or improvements to the common elements and to pay for the same out of the reserve funds established by the Board, or to specifically assess the several units therefor as a common expense.

10. LOANS. No loan shall be contracted on behalf of the Association, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by the affirmative vote of the owners of

75 percent of the voting rights. Such authority may be general or confined to specific instances.

11. CHECKS, DRAFTS AND VOUCHERS. All checks, drafts, vouchers and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by the resolution of the Board of Directors.

12. DEPOSITS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, savings and loan associations or other depositories as the Board of Directors may select. All reserves to cover the cost of capital expenditures shall be kept in a separate bank account and shall not be commingled with the general operating funds of the Association.

13. COMMON EXPENSES. The owner of each unit shall be liable for and pay a share of the common expenses in proportion of his or her interest in the common elements. Common expenses shall include the cost of all utilities, except for the cost of utilities which are billed by the provider of the utility services directly to the individual Unit Owner, assessments, insurance, including fire and other casualty and liability insurance, cost of repair, reinstatement, rebuilding, or replacement of the premises, including the dividing walls between adjoining outdoor decks, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, and other necessary expenses of upkeep, maintenance, management and operation actually incurred on or for the common elements. Common expenses shall also include such amounts as the Board of Directors may deem proper to make up any deficit in the common expenses of any prior year. The Association shall establish a reserve account for the periodic replacement of certain common elements pursuant to the Oregon Condominium Act. Such reserve account shall be maintained separately from regular assessments for common expenses. Following the second year after the Unit Owners have assumed administrative responsibility for the Association, future assessments for the reserve account may be reduced, eliminated or increased by an affirmative vote of not less than 75 percent of all voting rights.

14. COLLECTION OF UNIT OWNERS' SHARES OF COMMON EXPENSES.

A. Statements. Unit Owners' shares of common expenses and replacement reserves shall be collected either annually or monthly, in advance, by the Secretary/Treasurer of the Association. Each Unit Owner shall be entitled to receive from the Secretary/Treasurer at the time of payment of common expenses an itemized statement of common expenses. Such itemized statement may be either actual or estimated, and shall be

prepared in such manner as the Board of Directors shall determine.

B. Late Charges. The Board of Directors may impose a late charge not to exceed five percent of the amount of any statement which is not paid within 15 days after it is rendered. The imposition of a late charge shall be without prejudice to any other remedy available to the Association.

C. Liens. The Association shall have a lien for assessments as provided in Section 18 of the Declaration. If the Association records a lien notice, the Unit Owner shall be liable for the cost of preparation and recording of the notice.

15. INSURANCE. The Association, through the Board of Directors, shall obtain and maintain at all times and shall pay for out of common expense funds, the following insurance covering both the common elements and individual units, including fixtures, equipment, and other property which would ordinarily be required to be covered by a holder of a first mortgage:

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

(ii) Insurance covering the legal liability of the Association, the Unit Owners individually and the Manager, including but not limited to, the Board of Directors, 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 subsection, coverage of a Unit Owner, other than coverage as a member of the Association or Board of Directors, 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 subsection shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement providing that the rights of a named insured under the policy shall not prejudice any action against another named insured.

Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom such association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who

shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Each Unit Owner appoints an Insurance Trustee or substitute Insurance Trustee designated by the Association, as an attorney in fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee shall receive, hold or otherwise properly dispose of any proceeds of insurance in trust for Unit Owners and their first Mortgage Holders, as their interests may appear.

16. INDEMNIFICATION OF DIRECTORS AND OFFICERS. Each director and officer of the Association now or hereafter in office, and his or her heirs, executors and administrators, shall be indemnified by the Association against all costs, expenses, amounts or liability therefor, including counsel fees, which are reasonably incurred by or imposed upon him or her in connection with or resulting from any action, suit, proceeding or claim to which he or she may be made a party, or in which he or she may be or become involved by reason of his or her acts or alleged acts of omission or commission as such director or officer, or subject to the provisions hereof, any settlement thereof, whether or not he or she continues to be such director or officer at the time of incurring such costs, expenses or amounts. Such indemnification shall not apply, however, with respect to any matter as to which such director or officer shall be finally adjudged in such action, suit or proceeding to have been individually guilty of willful misfeasance or malfeasance in the performance of his or her duties as such director or officer. Further, the indemnification herein provided shall apply with respect to any settlement of any such suit, action, proceeding or claim, including reimbursement or any amounts paid and expenses reasonably incurred in settling any such suit, action, proceeding or claim when, in the judgment of the Board of Directors, a settlement or reimbursement appears to be in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such director or officer may be entitled under any agreement, vote of Unit Owners or otherwise.

17. REPAIR AND MAINTENANCE OF UNITS. Every Unit Owner shall at all times keep his or her unit in good order and repair and shall promptly perform all such work within his or her unit, the omission of which would affect any common elements of other units, and shall be responsible for all loss and damage caused by his or her failure to do so.

All repairs of internal installations within each unit, such

as water, light, gas, power, sewers, telephones, sanitation, doors, windows, lamps and all other fixtures and accessories belonging to such unit, including interior walls and partitions and the innerdecorated or finished surfaces of the perimeter walls, floors and ceilings of such unit, and the interior surfaces of any limited common element appurtenant to such unit, shall be at the Unit Owner's expense.

Every Unit Owner shall reimburse the Association for any expenditure incurred in repairing or replacing any common element or furniture, furnishings and equipment thereof damaged or lost through the fault of such Unit Owner or any person using the project under him or her and shall give prompt notice to the managing agent of any such damage, loss or other defect when discovered.

18. COLLECTION FROM TENANTS. All leases or rental agreements for units, or any portion thereof, shall be in writing and specifically subject to the requirements of the Declaration and By-laws. If the Unit Owner shall at any time rent or lease his or her unit, or any portion thereof, and shall default for a period of 30 days or more in the payment of the Unit Owner's proportionate share of common expenses and of taxes and assessments, or any installment thereof, the Board may, at its option, so long as such default continues, demand and receive from any tenant of the Unit Owner occupying the unit, the rent due or becoming due from such tenant to the Unit Owner, up to an amount sufficient to pay all sums due from the Unit Owner, including interest, if any, and any such payment of such rent to the Board by the tenant shall be sufficient discharge of such tenant as between such tenant and the Unit Owner to the extent of the amount so paid. But any such demand or acceptance of rent from any tenant shall not be deemed to be a consent to or approval of any lease by the Unit Owner or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the Board makes demand upon the tenant as aforesaid, the tenant shall not have the right to question the right of the Board to make such demand, but shall be obligated to make said payments to the Board, as demanded by the Board, with the effect as aforesaid; provided, however, the Board may not exercise this right if a receiver has been appointed to take charge of the premises pending a mortgage foreclosure or if a mortgagee is in possession pending a mortgage foreclosure.

19. COMPLIANCE.

A. Subordination. These By-laws are subordinate and subject to the provisions of the Declaration and all amendments thereto and the Oregon Condominium Act, except the provisions thereof applicable only to condominiums containing residential units; and in case of any conflict the latter shall control. All terms herein (except where clearly repugnant to the context) shall have

the same meaning as in the Declaration or the Oregon Condominium Act.

B. Interpretation. In case any provision of these By-laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-laws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in any act or business for profit on behalf of any of or all the Unit Owners.

20. AMENDMENTS. Amendments to these By-laws may be proposed by resolution of the Board of Directors or by a Unit Owner. Any proposed amendment shall be delivered in writing, either personally or by mail, to each Unit Owner entitled to vote not less than ten nor more than 50 days before the date of the meeting at which the proposed amendment will be voted upon or attached to any request for amendment. If mailed, such notice or request shall be deemed to be delivered when deposited in the United States mail addressed to the Unit Owner at his or her last known address on the records of the Association, with postage thereon prepaid. No amendment of the Bylaws proposed in either of such ways shall be effective unless approved by a majority of the Unit Owners, and until a copy of the By-laws, as amended, or the amendment thereto, has been certified by the Chairman and Secretary/Treasurer of the Association, approved by the Real Estate Commissioner, if required by law, and recorded with the recording officer of Deschutes County, Oregon.

ADOPTION OF BY-LAWS

The undersigned hereby adopts the foregoing on behalf of the Huston/Ralston Office Condominium, this 30 day of Sept, 1993.


NEAL HUSTON, Declarant


JENNIFER RALSTON-BLAIR,
Declarant

STATE OF OREGON, County of Deschutes, ss:

Before me on September 28, 1993, the undersigned, a Notary Public in and for said county and state, personally

appeared NEAL HUSTON and acknowledged to me that he executed the within instrument.

Donna Alger
Notary Public for Oregon
My Commission Expires 5/28/94

STATE OF OREGON, County of Deschutes, ss:

Before me on October, 1993, the undersigned, a Notary Public in and for said county and state, personally appeared JENNIFER RALSTON-BLAIR and acknowledged to me that she executed the within instrument.

Donna Alger
Notary Public for Oregon
My Commission Expires 5/28/94

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 FEB 22 AM 11:57
MARY SUE PENHOLLOW
COUNTY CLERK

BY [Signature] DEPUTY
NO. 94-07322 FEE 195.00
DESCHUTES COUNTY OFFICIAL RECORDS

- 14 - BYLAWS (RSL:HUST03)

EXHIBIT "C"

Holmes Hurley Bryant Lowlie ☒ Lynch
ATTORNEYS AT LAW

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