

Recorded in MULTNOMAH COUNTY, OREGON
C. Swick, Deputy Clerk
C73 55
Total : 291.00
ATKLM

2005-140563 07/28/2005 01:42:51pm

**FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR NEW COLUMBIA, NEW COLUMBIA 2,
NEW COLUMBIA 3, NEW COLUMBIA 4, NEW COLUMBIA 5,
AND PARTITION PLAT OF NEW COLUMBIA LOT 198**

April 18, 2005



CONTENTS

SECTION 1.	DECLARATION	2
SECTION 2.	DEFINITIONS.....	2
2.1	Affordable Housing Lot.....	2
2.2	Alleys	2
2.3	Articles.....	2
2.4	Assessment.....	2
2.5	Association.....	3
2.6	Board.....	3
2.7	Bylaws.....	3
2.8	Common Areas	3
2.9	Common Property	3
2.10	Declarant.....	3
2.11	Declaration.....	3
2.12	Dwelling.....	3
2.13	Home.....	4
2.14	Homeowner.....	4
2.15	Lot.....	4
2.16	Limited Assessment.....	4
2.17	Multi-Family Lots	4
2.18	New Columbia	4
2.19	Owner.....	4
2.20	Property.....	4
2.21	Property Map.....	5

2.22	Plat	5
2.23	Qualified Person.....	5
2.24	Regular Assessment	5
2.25	Senior Housing Lot.....	6
2.26	Single-Family Lot	6
2.27	Special Assessment.....	6
2.28	Unit	6
SECTION 3.	ANNEXATION	6
3.1	Annexation of Additional Property.....	6
3.2	Withdrawal of Property.....	7
SECTION 4.	THE ASSOCIATION	7
4.1	Organization.....	7
4.2	Membership	8
4.3	Voting Rights	8
4.4	Powers and Obligations	8
4.5	Liability.....	9
4.6	Interim Board; Turnover Meeting.....	9
4.7	Transitional Advisory Committee.....	10
4.7.1	Declarant's Failure to Call Meeting.....	10
4.7.2	Owners' Failure to Select Members.....	10
4.7.3	Turnover Meeting.....	10
4.8	Subassociations	10
4.9	Association's Rules and Regulations	10
4.10	Special Duties of the Association	11
4.10.1	Maintenance and Insurance of Common Areas.....	11

4.10.2 Damage..... 12

SECTION 5. ASSESSMENTS..... 13

5.1 Creation of Lien and Personal Obligation of Assessments..... 13

5.2 Commencement 13

5.3 Regular Assessments..... 13

5.3.1 Amount of Annual Regular Assessment 13

5.3.2 Allocation of Assessments 14

5.3.3 Notice of Regular Assessments and Time for Payment Thereof..... 14

5.4 Special Assessments 15

5.5 Limited Assessments..... 15

5.6 Capital Improvement Assessments 15

5.7 Reserve Account for Replacing Common Property..... 16

5.7.1 Establishment of Reserve Account..... 16

5.7.2 Assessments..... 16

5.7.3 Loan from Common Property Reserve Account 16

5.7.4 Increase, Reduction, or Elimination of Common Property Reserve Account Assessments..... 17

5.8 Statement of Account..... 17

5.9 Reallocation Upon Annexation or Withdrawal of Property..... 17

5.10 Assessment Abatement 18

5.11 Senior Housing Assessment Abatement 18

SECTION 6. PROPERTY RIGHTS AND EASEMENTS 18

6.1 Common Areas 18

6.1.1 Owners' Easements of Enjoyment 18

6.1.2 Title to Common Areas 19

6.1.3	Extent of Owners' Rights.....	19
6.1.4	Use of the Common Areas	20
6.1.5	Use of the Alleys	21
6.1.6	Alienation of the Common Areas.....	21
SECTION 7.	USE RESTRICTIONS.....	22
7.1	Single-Family Lot Use Restrictions	22
7.1.1	Structures Permitted on Single-Family Lots.....	22
7.1.2	Residential Use.....	22
7.2	Multi-Family Lot Use Restrictions	23
7.3	Retail/Service Use Restrictions.....	23
7.4	Offensive or Unlawful Activities.....	25
7.5	Animals.....	25
7.6	Maintenance of Structures and Grounds.....	26
7.7	Parking; Vehicles in Disrepair	26
7.8	Signs.....	27
7.9	Rubbish and Trash.....	27
7.10	Temporary Structures.....	27
7.11	Hedges and Plantings along Lot Lines.....	27
7.12	Conditions of Approval.....	27
7.12.1	Conditions of Approval	27
7.12.2	Tree Preservation Plan.....	28
7.12.3	Special Purpose Tracts	28
7.12.4	City of Portland	29
7.12.5	Amendment	29
7.13	Service Yards.....	30

7.14	Antennas and Satellite Disks.	30
7.15	Setback, Maximum Height, and Minimum Yard Requirements.	30
7.16	Owner and Resident Rights	31
	7.16.1 Equal Treatment	31
	7.16.2 Speech.....	31
	7.16.3 Religious and Holiday Displays	31
	7.16.4 Household Composition	31
	7.16.5 Activities within a Unit	31
	7.16.6 Interpretation of this Section	32
7.17	Grant of Waivers or Consents.....	32
SECTION 8.	ARCHITECTURAL REVIEW COMMITTEE.....	32
8.1	Architectural Review.	32
8.2	Procedure.	32
8.3	Committee Decision.....	33
8.4	Committee Discretion.	33
8.5	Membership; Appointment and Removal.	33
8.6	Majority Action.....	34
8.7	Liability.....	34
8.8	Nonwaiver.....	34
8.9	Appeal.....	34
8.10	Effective Period of Consent.....	35
8.11	Estoppel Certificate.....	35
8.12	Construction by Declarant.	35

SECTION 9.	ENFORCEMENT	35
9.1	Use of the Common Areas	35
9.1.1	By Owners	35
9.2	Default in Payment of Assessments; Enforcement of Lien	36
9.2.1	Suspension of Rights; Acceleration.....	36
9.2.2	Lien.....	37
9.2.3	Suit or Action	37
9.2.4	Other Remedies	37
9.3	Notification of First Mortgagee	37
9.4	Subordination of Lien to Mortgages	38
9.5	Enforcement by City of Portland	38
9.6	Interest, Expenses, and Attorneys' Fees	38
9.7	Nonexclusiveness and Accumulation of Remedies	39
SECTION 10.	CASUALTY	39
SECTION 11.	MISCELLANEOUS	39
11.1	Term.....	39
11.2	Amendment and Repeal	40
11.3	Regulatory Amendments.....	40
11.4	Notices	40
11.5	Right of Enforcement.....	41
11.6	Remedies Cumulative	41
11.7	Joint Owners	41
11.8	Lessees and Other Invitees.....	41
11.9	Non-Waiver.....	41
11.10	Restrictions Construed Together.....	41

11.11	Restrictions Severable.....	42
11.12	Singular Includes Plural.....	42
11.13	Captions	42
11.14	HUD Restrictive Covenant	42
11.15.	Subordination to Other Government Entities.....	42

**FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND
RESTRICTIONS FOR NEW COLUMBIA**

THIS FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR NEW COLUMBIA (the "Declaration") is made this 18th day of April, 2005, by the New Columbia Owners Association, an Oregon nonprofit corporation (the "Association") and the Housing Authority of Portland, an Oregon public body corporate and politic ("Declarant").

RECITALS

Declarant previously recorded the Declaration in the real property records of Multnomah County, State of Oregon as Fee No. 2004 - 053982.

Declarant amended the Declaration pursuant to that certain Amendment No. 1 to Declaration of Protective Covenants and Restrictions for New Columbia dated as of March 31, 2005 ("Amendment No. 1").

At a meeting of the Association on April 18, 2005 and with the approval of Declarant, the Association adopted certain additional amendments to the Declaration (the "New Amendments").

Declarant and the Association now desire to amend and restate, in its entirety, the Declaration to reflect Amendment No. 1 and the New Amendments.

This First Amended and Restated Declaration of Covenants, Conditions and Restrictions for New Columbia, New Columbia 2, New Columbia 3, New Columbia 4, New Columbia 5 and Partition Plat of New Columbia Lot 198 includes all previously adopted amendments to the Declaration.

DECLARATION

SECTION 1. DECLARATION

NOW, THEREFORE, Declarant and the Association hereby declares that New Columbia, New Columbia 2, New Columbia 3, New Columbia 4, New Columbia 5 and Partition Plat of New Columbia Lot 198 shall be held, conveyed, encumbered, used, occupied and improved subject to the covenants, conditions, restrictions and charges set forth in this Declaration, which shall run with New Columbia, New

Columbia 2, New Columbia 3, New Columbia 4, New Columbia 5 and Partition Plat of New Columbia Lot 198 and shall be binding upon all such parties having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of each owner thereof.

SECTION 2. DEFINITIONS

When used in this Declaration, the following terms shall have the following meanings:

2.1 Affordable Housing Lot

"Affordable Housing Lot" shall mean a Lot upon which a deed restriction has been placed, which permits the Lot to only be sold to a Qualified Person.

2.2 Alleys

"Alleys" shall mean those private alleyways designated as providing access to certain Lots as shown on the Property Map.

2.3 Articles

"Articles" shall mean the Articles of Incorporation of the Association, as amended from time to time.

2.4 Assessment

"Assessment" shall mean any assessment levied against one or more Owners by the Association for payment of expenses relating to the Property, and shall include, without limitation, Regular, Special, and Limited Assessments, as those terms are defined herein.

2.5 Association

"Association" shall mean the non-profit corporation formed or to be formed to serve as the association of Owners as provided in this Declaration, and shall include such corporation's successors and assigns.

2.6 Board

"Board" shall mean the duly elected board of directors of the Association.

2.7 Bylaws

"Bylaws" shall mean the bylaws of the Association, as amended from time to time.

2.8 Common Areas

"Common Areas" shall mean those areas designated as such on the Property Map or in this Declaration, or in any plat or declaration annexing any property to New Columbia, including any improvements thereon.

2.9 Common Property

"Common Property" means any real property, interest in real property, or improvement thereon within the Property, which is owned or leased by the Association or designated as such in any plat of property within New Columbia, in this Declaration, or in any declaration annexing such property to New Columbia.

2.10 Declarant

"Declarant" shall mean and refer to the Housing Authority of Portland, an Oregon body corporate and politic and its successors and assigns.

2.11 Declaration

"Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions.

2.12 Dwelling

"Dwelling" shall mean a single-family residence, apartment, or other similar form of single household dwelling.

2.13 Home

"Home" shall mean a single-family Dwelling constructed on a Single-Family Lot.

2.14 Homeowner

"Homeowner" shall mean the Owner of a Single-Family Lot.

2.15 Lot

"Lot" shall mean a lot located in New Columbia that is designated for residential or mixed-use development on the Property Map.

2.16 Limited Assessment

"Limited Assessment" shall mean an assessment levied against an Owner by the Association for costs and expenses incurred by the Association for corrective action performed pursuant to this Declaration and required as a result of the willful or negligent actions or omissions of such Owner or such Owner's tenants, guests, contractors, or invitees.

2.17 Multi-Family Lots

"Multi-Family Lots" shall mean those lots designated on the Property Map for multi-family use and mixed use (multi-family/commercial).

2.18 New Columbia

"New Columbia" shall mean New Columbia, New Columbia 2, New Columbia 3, New Columbia 4, New Columbia 5 and Partition Plat of New Columbia Lot 198.

2.19 Owner

"Owner" shall mean any person or entity, including the Declarant, at any time owning a Lot, including any vendee to whom possession has passed under a recorded land sale contract, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a Lot, including any vendor who has surrendered possession under a recorded land sale contract.

2.20 Property

"Property" shall mean the property described in the Plat and shall also include any property subsequently annexed to New Columbia by Declarant and designated for inclusion in New Columbia. The development constituting the Property is also sometimes referred to in this Declaration as "New Columbia."

2.21 Property Map

"Property Map" shall mean the depiction of parcels and uses within New Columbia attached hereto as Exhibit B.

2.22 Plat

"Plat" shall mean the:

plat of New Columbia recorded in Plat Book 1262, Page 37-59 (Document No. 2004-053979), Multnomah County, Oregon;

plat of New Columbia 2 recorded in Plat Book 1269, Page 55-60
(Document No. 2005-140528), Multnomah County, Oregon;

plat of New Columbia 3 recorded in Plat Book 1269, Page 61-62
(Document No. 2005-140529), Multnomah County, Oregon;

plat of New Columbia 4 recorded in Plat Book 1269, Page 63-64
(Document No. 2005-140530), Multnomah County, Oregon;

plat of New Columbia 5 recorded in Plat Book 1269, Page 65-66
(Document No. 2005-140531), Multnomah County, Oregon and:

partition plat No. 2005-123 recorded in Plat Book —, Page
— (Document No. 2005-140527), Multnomah
County, Oregon.

2.23 Qualified Person

"Qualified Person" shall mean an individual or individuals living in a household that has a combined income equal to or less than 60% of the then current Fiscal Year HUD Median Family Income for the Portland-Vancouver Primary Metropolitan Service Area.

2.24 Regular Assessment

"Regular Assessment" shall mean an assessment against all Owners made pursuant to the provisions of Section 5.3 below.

2.25 Senior Housing Lot

"Senior Housing Lot" shall mean that Lot designated as Lot 212 on the Plat, which is proposed to be developed as housing for senior citizens.

2.26 Single-Family Lot

"Single-Family Lot" shall mean a Lot designated for Single-Family residential use on the Property Map, irrespective of the number of Dwellings actually constructed on that Lot.

2.27 Special Assessment

"Special Assessment" shall mean an assessment against all Owners when the Regular Assessment for any particular year is or will be inadequate to meet the expenses of the Association.

2.28 Unit

"Unit" shall mean (1) in the case of a Single-Family Lot, the Single-Family Lot itself and (2) in the case of a Multi-Family Lot, a Dwelling for which a certificate of occupancy has been issued.

SECTION 3. ANNEXATION

3.1 Annexation of Additional Property

Subject to any applicable City of Portland ordinances, Declarant may from time to time and in its sole discretion annex to New Columbia any adjacent real property now or hereafter acquired by it, and may also from time to time and in its sole discretion permit other holders of adjacent property to annex the adjacent property owned by them to New Columbia. The annexation of such adjacent real property shall be accomplished as follows:

(a) The owner or owners of such real property shall record a declaration which shall be executed by or bear the approval of Declarant and shall, among other things, describe the real property to be annexed, establish any additional limitations, uses, restrictions, covenant and conditions which are intended to be applicable to such property, and declare that such property is held and shall be held, conveyed, encumbered, used, occupied and improved subject to this Declaration.

(b) A declaration with respect to any annexed property may, subject to any applicable City of Portland ordinances:

(i) establish such new land classifications and such limitations, uses, restrictions, covenants and conditions with respect thereto as Declarant may deem to be appropriate for the development of the annexed property; and

(ii) with respect to existing land classifications, establish additional or different limitations, uses, restrictions, covenants and conditions with respect thereto as Declarant may deem to be appropriate for the development of such annexed property.

(c) The property included in any such annexation shall thereby become a part of New Columbia and this Declaration, and the Declarant and the

Association shall have and accept and exercise administration of this Declaration with respect to such property.

(d) There is no limitation on the number of lots or residential units that Declarant may create or annex to New Columbia, except as may be established by applicable ordinances of the City of Portland. Similarly, there is no limitation on the right of Declarant to annex common property, except as may be established by applicable ordinances of the City of Portland.

(e) Upon annexation, additional property so annexed shall be entitled to voting rights as set forth in Section 4.3 below.

(f) The formula to be used for reallocating Assessments upon annexation are set forth in Section 5.9 below.

3.2 Withdrawal of Property

Subject to any applicable City of Portland ordinances, Declarant may withdraw any property from New Columbia only by duly adopted amendment to this Declaration, except that Declarant may withdraw all or a portion of any property annexed pursuant to a declaration described in Section 3.1 above at any time prior to the sale of the first lot in the property annexed by such declaration. Such withdrawal shall be by a declaration executed by Declarant and recorded in the deed records of Multnomah County. If a portion of the Property is so withdrawn, all voting rights otherwise allocated to the property being withdrawn shall be reallocated as provided in Section 4.3 below.

SECTION 4. THE ASSOCIATION

4.1 Organization

Declarant shall, before the first Lot is conveyed to an Owner other than Declarant, organize the Association as a mutual benefit corporation under the Oregon Nonprofit Corporation Act, under the name "New Columbia Owners Association" or such similar name as Declarant shall designate. The Articles shall provide for the Association's perpetual existence, but if the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. All of the incorporated Association's property, powers, and obligations existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association. Such vesting shall thereafter be confirmed as evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles and Bylaws as

if they had been drafted to constitute the governing documents of the unincorporated association.

4.2 Membership

Immediately upon creation of the Association and thereafter during the entire period of any Homeowner's ownership of one or more Single-Family Lots, such Homeowner shall be a member of the Association. Such membership shall commence, exist, and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

4.3 Voting Rights

Every Owner shall be a member of the Association. Each Owner shall be allocated one vote per Unit owned by that Owner, except that Declarant shall retain voting rights for all Single-Family Lots that do not contain a Dwelling or that contain a Dwelling that has never been occupied until such time as that Dwelling has been occupied. Declarant shall also retain voting rights for all Units proposed to be developed on a Multi-Family Lot but which have either not yet been developed or have been developed but have never been occupied until such time as that Unit has been occupied. The number of Units proposed on Multi-Family Lots at the time of recording of this Declaration is 622. The voting rights granted pursuant to this Section 4.3 are collectively referred to in this Declaration as the "Votes."

4.4 Powers and Obligations

The Association shall have, exercise, and perform all of the powers, duties, and obligations

- (a) granted to the Association by this Declaration;
- (b) of a mutual benefit corporation pursuant to the Oregon Nonprofit Corporation Act and of a homeowners association of a planned community pursuant to the Oregon Planned Community Act, as either or both may be amended from time to time; and
- (c) otherwise necessary or desirable for the purpose of carrying out the functions of the Association, pursuant to this Declaration or otherwise promoting the general benefit of the Owners within the Property.

The Association shall have the power, in the Board's sole discretion, to hire attorneys to advise the Association and/or the Board concerning any appropriate

matter, including, without limitation, making or defending claims and demands, filing or defending suits or actions, interpreting this Declaration, Bylaws and other applicable documents, and assisting in collecting delinquent assessments. The powers and obligations of the Association may from time to time be amended, repealed, enlarged, or restricted by changes in this Declaration made in accordance with the provisions herein and accompanied by changes in the Articles or Bylaws made in accordance with such instruments and with the Oregon Nonprofit Corporation Act.

4.5 Liability

Neither the Association nor any officer or member of the Board shall be liable to any Owner for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act by the Association or any of its officers or any member of the Board, provided only that the officer or Board member has acted in his or her good faith and actual knowledge.

4.6 Interim Board; Turnover Meeting

Declarant shall have the right to appoint an interim board of up to three directors, who shall serve as the Board until replaced by Declarant or until their successors have been elected and appointed at the turnover meeting described in this Section. Declarant shall call a meeting by giving notice to each Owner, as provided in the Bylaws, for the purpose of turning over administrative responsibility for the Property to the Association, not later than 90 days after occupation of 34 Homes by Homeowners. If Declarant does not, within the required period, call the meeting required by this Section, any Owner may call such a meeting and give notice as required by this Section. At the turnover meeting, the interim directors shall resign and three (3) Board members shall be elected by vote of the members, as provided in this Declaration and the Bylaws. Two (2) of the Board members shall be elected by vote of the Multi-Family Lot Owners or those holding their votes and one (1) Board member shall be elected by vote of the Single-Family Lot Owners or those holding their votes. At the turnover meeting, Declarant shall also deliver to the Association those items required to be provided to the Association by ORS 94.616(3). After the turnover meeting, Declarant or its representative shall be available to meet with the Board, as provided under ORS 94.616(4).

4.7 Transitional Advisory Committee

Declarant or Owners shall form a transitional advisory committee (the "Transitional Advisory Committee") to provide for the transition from administrative responsibility by the Declarant of New Columbia to administrative responsibility by the Association. Not later than the 60th day after Declarant has conveyed to Owners other than Declarant, Lots representing 50 percent of the votes of all phases in New

Columbia, Declarant shall call a meeting of Owners for the purpose of selecting the Transitional Advisory Committee. The Transitional Advisory Committee shall consist of three members. Owners other than Declarant shall select two members and Declarant shall select one member. The Transitional Advisory Committee shall have reasonable access to all information and documents that the Declarant is required to turn over to the Association under ORS 94.616(3).

4.7.1 Declarant's Failure to Call Meeting

An Owner may call a meeting of the Owners to select the Transitional Advisory Committee if Declarant fails to do so as provided above.

4.7.2 Owners' Failure to Select Members

Notwithstanding the foregoing, if the Owners do not select members for the Transitional Advisory Committee as described above, Declarant shall have no further obligation to form the Transitional Advisory Committee.

4.7.3 Turnover Meeting

The requirement for formation of the Transitional Advisory Committee shall not apply once the turnover meeting specified in Section 4.6 above has been held.

4.8 Subassociations

Nothing in this Declaration shall be construed as prohibiting the formation of subassociations within the Property, including, without limitation, neighborhood associations.

4.9 Association's Rules and Regulations

The Association from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of Lots and the Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property (the "Rules"). Upon adoption, a copy of the Rules and a copy of each amendment, modification, or revocation thereof shall be delivered by the Board promptly to each Owner and shall be binding upon all Owners and occupants of all Lots upon the date of delivery. The method of adoption of such Rules shall be as provided in the Bylaws. Such Rules may not contradict, amend, or modify any provision of this Declaration.

4.10 Special Duties of the Association

Without limiting the generality of the general powers and duties of the Association set forth in this Section 4, the Association shall have the power and obligation to conduct and perform the following duties, the costs of which shall be borne by all of the Owners and assessed as provided in Section 5.

4.10.1 Maintenance and Insurance of Common Areas

4.10.1.1 The Association shall be responsible for maintenance and repair of the Common Areas (including all improvements and any utilities thereon, to the extent such utilities are not maintained by governmental authorities). Maintenance of the Common Areas shall include maintaining, repairing, and replacing of grass, sod, trees, shrubs, and bushes in a neat, clean, and attractive condition and the maintenance and repair of all underground sprinkler systems.

4.10.1.2 In connection with the Conditions of Approval, as defined in Section 7.12.1 below, the Declarant has entered into, or will be entering into, maintenance agreements with the City of Portland for operation and maintenance of portions of the Property. Declarant may, at its election and from time to time, assign any or all such maintenance agreements to the Association and the Association shall accept such assignment without condition, shall faithfully perform all of its obligations thereunder, and shall indemnify Declarant from any claim, cause of action, damage, cost, or expense arising from the Association's performance under such maintenance agreement. Until such time as the operation and maintenance agreements are assigned to the Association, Declarant hereby reserves the right to enter any Lot or Common Area to perform any activity Declarant deems necessary to its performance under such agreements.

4.10.1.3 The Association shall obtain and maintain in effect, from reputable insurance companies authorized to do business in the State of Oregon, public liability and property damage insurance with respect to all Common Areas in such amounts and in such forms as the Board deems advisable to provide adequate protection for bodily injury, including deaths of persons, and property damage, whether caused by the negligence of the Association or otherwise. Such policy(ies) shall provide that the coverage thereunder cannot be canceled or substantially modified without at least 10-days' written notice to the Association. Additionally, the Association shall obtain and maintain in effect from such companies fire and extended coverage casualty insurance (including coverage for damage resulting from vandalism and malicious mischief) with respect to the Common Areas (including all insurable improvements thereon), in an amount equal to one hundred percent (100%) of the replacement cost thereof. The casualty coverage may be obtained on a "blanket"

basis. The Association may obtain such other and further policies of insurance as it deems advisable. The casualty insurance to be obtained by the Association pursuant to this Section 4.10.1.2 shall include the following terms, if these are reasonably available:

- (a) a waiver of subrogation by the insurer as to any claims against the Board, any Owner, or any guest of an Owner;
- (b) a waiver by the insurer, of its right to repair and reconstruct instead of paying cash;
- (c) a provision that no policy may be canceled, invalidated, or suspended because of any action of an Owner;
- (d) a provision that no policy may be canceled, invalidated, or suspended because of the conduct of any director, officer, or employee of the Association, unless the insurer gives the Association a prior written demand that the Association correct the defect and allows the Association a reasonable time to make the correction; and
- (e) a provision that any "other insurance" clause in any policy shall exclude from its coverage all owners' policies.

4.10.2 Damage

It shall be the responsibility of each Owner to properly repair, at such owner's sole expense, damage to any Common Areas caused by the intentional or negligent actions of such Owner or his or her tenants, guests, contractors or invitees. If such Owner fails to repair damage to the Common Area as required by this Subsection, the Association may cause such repair to be performed and assess such owner for all sums necessarily and properly expended to repair the damage to the Common Area.

SECTION 5. ASSESSMENTS

5.1 Creation of Lien and Personal Obligation of Assessments

Declarant, for each Lot owned by it within the Property, does hereby covenant, and each Owner of any Lot by acceptance of a conveyance thereof, whether or not so expressed in any such conveyance, shall be deemed to covenant, to pay to the Association all assessments or other charges as may be fixed, established, and collected from time to time in the manner provided in this Declaration or the Bylaws. Such assessments and charges, together with any interest, expenses, or attorneys' fees and costs imposed pursuant to Section 7, shall be a charge on the land and shall be a

continuing lien upon the Lot containing the Unit against which each such assessment or charge is made. The lienable amount shall also include the costs of preparing and recording the lien and shall be recoverable by the Association whether or not suit or action is filed. Such assessments, attorneys' fees and costs, charges, and other costs shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment or charge fell due. Such liens and personal obligations shall be enforced in the manner set forth in Section 7 below. In a voluntary conveyance of a Lot, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments and charges against the grantor of the Lot as of the date of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee for assessments accrued or imposed prior to the date of the grant or conveyance. A transfer pursuant to a foreclosure of a first mortgage or trust deed shall not be construed as a voluntary conveyance. No Owner may avoid such personal obligation by abandonment of his or her Lot.

5.2 Commencement

Assessments against a Unit on a Single-Family Lot shall commence on the date on which a certificate of occupancy is first issued for the structure on a given Single-Family Lot. Assessments against a Unit on a Multi-Family Lot shall commence on the date that Unit is first occupied (Multi-Family Lots will contain multiple Units).

5.3 Regular Assessments

5.3.1 Amount of Annual Regular Assessment

The total annual Regular Assessment against all Lots shall be based upon an annual budget prepared by the Board, with respect to projected expenses of the Association, including, without limitation, the following:

- (a) maintenance, repair, and operation of the Common Areas, including all improvements thereon;
- (b) premiums for all insurance policies that the Association is required or permitted to maintain pursuant to this Declaration;
- (c) professional management fees and expenses, employee salaries, and legal and accounting costs;
- (d) any deficits remaining from the previous fiscal year of the Association;

(e) reasonable contingency reserves of the Association, established at the discretion of the Board (in addition to those funds contained in the Property Reserve Account);

(f) funding for a supporting community association that may be formed by the Housing Authority of Portland at its sole discretion, if necessary to address livability issues of concern to both renters and Homeowners in New Columbia, and

(g) such other and further costs, expenses, obligations, and liabilities as the Board, in its discretion, may incur for the management, operation, and maintenance of the Property and the Association, in accordance with this Declaration.

5.3.2 Allocation of Assessments

All Regular Assessments shall be allocated among all Owners as follows: each Homeowner shall be allocated one (1) assessment unit per Single-Family Lot owned by that Homeowner and each Owner of a Multi-Family Lot shall be allocated one (1) assessment unit per two (2) Units on a Multi-Family Lot owned by that Owner. For those costs which are directly proportional to the number of Units then in existence, allocation under this Section 5.3.2 shall only take into account those Units for which Assessment has commenced pursuant to Section 5.2. For those costs which are not directly proportional to the number of Units then in existence (items of general benefit to New Columbia), allocation under this Section 5.3.2 shall take into account all Units existing or proposed to exist in New Columbia.

5.3.3 Notice of Regular Assessments and Time for Payment Thereof

Regular Assessments shall be made on a monthly basis. Subject to amendment by the Board, the Association shall give written notice to each Owner as to the amount of the Regular Assessment with respect to each Unit, on or before December 15 for each year for the calendar year commencing January 1 of the next year. Regular Assessments shall be due and payable as the Board shall determine.

5.4 Special Assessments

In addition to the Regular Assessments authorized hereby, the Board shall have the authority to levy Special Assessments to satisfy any actual or projected deficiency between the expenses of the Association and the amounts realized through Regular Assessments. Special Assessments shall be allocated among the Owners similarly to Regular Assessments. Special Assessments are payable as the Board may from time

to time determine, within thirty (30) days after the mailing of notice thereof to affected Owners.

5.5 Limited Assessments

The Association may levy against any Owner a Limited Assessment equal to the costs and expenses incurred by the Association, including legal fees, for corrective action performed pursuant to this Declaration, when such action is required as a result of the intentional or negligent actions or omissions of such Owner or such Owner's tenants, guests, contractors, or invitees.

5.6 Capital Improvement Assessments

The Association may purchase, construct or otherwise acquire additional equipment, facilities or other capital improvements for the general use and benefit of all the members of the Association, and for that purpose may impose a special assessment to be called a "Capital Improvement Assessment." Any such assessment shall be assessed to the Units on the same formula as set forth in Section 5.3.2. No new Capital Improvement Assessment may be imposed under this section which, for any one purchase, construction or other acquisition, or group of related purchases, constructions or other acquisitions, in the aggregate exceeds \$50,000, unless approved by the vote or written consent of not less than seventy-five percent (75%) of the Votes who are voting in person, by absentee ballot or by proxy at a meeting duly called for the purpose of approving the Capital Improvement Assessment. To the extent that the additional equipment, facilities, or other capital improvement purchased, constructed, or otherwise acquired by the Association shall include items of Common Property which will normally require replacement, in whole or in part, in more than three and less than thirty years, such Capital Improvement Assessment shall be accompanied by a corresponding Common Property Reserve Account Assessment as required by (and defined in) Section 5.7 below.

5.7 Reserve Account for Replacing Common Property

5.7.1 Establishment of Reserve Account

The Declarant shall establish a reserve account which shall be called the "Common Property Reserve Account," and which will be kept separate and apart from all other funds of the Association. Except as provided in Section 5.7.2, the Common Property Reserve Account shall be used exclusively for replacement of items of Common Property which will normally require replacement, in whole or in part, in more than three and less than thirty years and not for regular or periodic maintenance expenses.

5.7.2 Assessments

Not less often than annually, the Association shall inventory all items of Common Property which will normally require replacement, in whole or in part, in more than three and less than thirty years, and shall estimate the remaining life of each item of Common Property and the current replacement cost of each of such items. The Association may identify items for which a reserve account assessment is required as those items which are insurable by a common carrier of all-purpose risk insurance. For the purpose of funding the Common Property Reserve Account, the Association shall impose an assessment to be called the "Property Reserve Account Assessment" against each Unit on the basis of one (1) assessment unit per Unit. Allocation under this Section 5.7.2 shall only take into account those Units for which Assessment has commenced pursuant to Section 5.2. The total Common Property Reserve Assessment shall be equal to the sum of the estimated replacement cost of each item of Common Property, which has an estimated life of greater than three but less than thirty years, divided by the estimated number of years of life for such items of Common Property (not the estimated years of life remaining).

5.7.3 Loan from Common Property Reserve Account

After the turnover meeting described in Section 4.6, the Board of the Association may borrow funds from the Common Property Reserve Account to meet high seasonal demands on the Association's regular operating fund or to meet other temporary expenses. Funds borrowed to meet high seasonal demands or temporary expenses under this Subsection must be repaid from special assessment or maintenance fees within six (6) months of the date such funds are borrowed.

5.7.4 Increase, Reduction, or Elimination of Common Property Reserve Account Assessments

At any time after the second year after the turnover meeting described in Section 4.6, future assessments for the Common Property Reserve Account may be increased, reduced or eliminated by the vote of not less than seventy-five percent (75%) of the Votes.

5.8 Statement of Account

Upon payment of a reasonable fee, which shall be established by the Board, and upon written request of any Owner or any mortgagee, prospective mortgagee, or prospective purchaser of a Lot, the Association shall issue a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Lot and the amount of the current monthly Assessments and the dates on which such Assessments become or became due. Such statement shall be conclusive upon the Association, in

favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within 20 days, all unpaid Assessments that become due prior to the date of making such request shall be subordinate to the lien of a mortgagee that acquired its interest subsequent to requesting such statement. If a prospective purchaser makes such request, the lien for such unpaid Assessments shall be released automatically if (i) the statement is not furnished within the 20-day period provided herein, (ii) an additional written request is made by such purchaser and is not complied with within 10 days, and (iii) the purchaser subsequently acquires the Lot.

5.9 Reallocation Upon Annexation or Withdrawal of Property

When additional property or phases are annexed to or withdrawn from New Columbia, the Association shall, within 60 days of the annexation or withdrawal, recompute the budget in accordance with Section 5.3.2 based upon the additional Lots and Common Areas and recompute Assessments for each Lot in accordance with this Section 5. Newly annexed Lots shall be subject to Assessment from the time of annexation of such Lots to New Columbia in accordance with the provisions of this Section 5. The Association shall send notice of the assessment to the Owners of newly annexed Lots not later than 60 days after the annexation or with the next occurring annual assessment, whichever is sooner. Assessments shall be due and payable on or before a date set forth in the notice, which shall not be less than 30 days from the date the notice is mailed or at such time or times set in accordance with this Declaration or the Bylaws as the Association may specify in the notice. If additional property or phases are annexed to New Columbia during the Association's fiscal year, the Association shall send notice of and shall collect adjustments to assessments for Lots which were within New Columbia prior to the annexation in the manner specified in this Section 5, except that notice of the adjustment in the assessment shall be sent to the Owner not later than 60 days after the annexation or with the next occurring annual assessment whichever is sooner. To the extent that any adjustment results in a credit for the Owner, such credit shall be applied towards the next occurring payment or payments on the Assessment.

5.10 Assessment Abatement

A Homeowner may apply to the Board for abatement of Special and Regular Assessments applicable to their Single-Family Lot. The Board shall grant such abatement upon demonstration by the Homeowner that it is a Qualified Person and that the Lot is an Affordable Housing Lot. The amount of Assessment abatement shall be 40% of the Assessment. The Board may require the Homeowner to resubmit household income data once per year and the Homeowner may choose to submit revised household income data once per year and the Assessments for that Homeowner shall be adjusted or eliminated according to the information provided. In

the event that the Board reasonably determines that a Homeowner has intentionally provided false, incomplete or incorrect income information, the Board may refuse to grant Assessment abatement to that Homeowner and may prohibit that Homeowner from receiving any future Assessment abatement.

5.11 Senior Housing Assessment Abatement

If operation of the senior housing proposed for development on the Senior Housing Lot is subsidized through a Section 202 (Supportive Housing for the Elderly) grant or other similar HUD program and HUD determines (a) that any Special or Regular Assessments owed under this Section 5 are not operating expenses eligible for any subsidy or (b) that the amount of any such Assessments is unreasonable and HUD disallows some portion of the Assessments as an eligible expense, the Owner of the Senior Housing Lot may apply to the Board for an abatement of such disallowed Assessments in an amount to be determined by the Board in its sole discretion.

SECTION 6. PROPERTY RIGHTS AND EASEMENTS

6.1 Common Areas

6.1.1 Owners' Easements of Enjoyment

Subject to the provisions of this Declaration, every Owner and his or her invitees shall have a right and easement of enjoyment in and to the Common Areas. This easement shall be appurtenant to and shall pass with the title to every Lot. Use of the Common Areas shall not result in unreasonable disturbance of occupants of any Units and shall be subject to such rules and regulations as may be adopted by the Board from time to time.

6.1.2 Title to Common Areas

Fee title to the Common Areas must be conveyed by Declarant to, and must be accepted by, the Association, free and clear of monetary liens, within 18 years of the recording of this Declaration or at such earlier time as Declarant may determine at its sole discretion.

6.1.3 Extent of Owners' Rights

The rights and easements of enjoyment in the Common Areas created hereby shall be subject to the following and all other provisions of this Declaration:

(a) Association's and Owners' Easements. Declarant grants to the Association, for the benefit of the Association and all Owners the following easements over, under, and upon the Common Areas:

(i) an easement for installation and maintenance of power, gas, electric, water, and other utility and communication lines and services installed by Declarant or with the approval of the Board and any such easement shown on any plat of the Property;

(ii) an easement for construction, maintenance, repair, and use of the Common Areas and improvements thereon; and

(iii) an easement for the purpose of making repairs to any existing structures on the Common Areas.

(b) Declarant's Easements. So long as Declarant owns any Lot, and in addition to any other easements to which Declarant may be entitled, Declarant reserves an easement over, under, and across the Common Areas, in order to carry out development, construction, sales, and rental activities necessary or convenient for the development of any Property or the sale or rental of Lots and for such other purposes as may be necessary or convenient for discharging Declarant's obligations or for exercising any of Declarant's rights hereunder.

(c) Utility and Other Municipal Easements. Declarant or the Association may (and, to the extent required by law, shall) grant or assign easements to municipalities or other utilities performing utility services and to communication companies. The Association may grant free access thereon to police, fire, and other public officials and to employees of utility companies and communications companies serving the Property.

(d) Association's Easements. Declarant hereby grants to the Association and its duly authorized agents and representatives such easements over the Lots and Common Areas as are necessary for it to perform the duties and obligations of the Association set forth in this Declaration, the Bylaws, and the Rules, as the same may be amended or supplemented. These easements specifically include easements over Lots 21, 22, 24, 30, 40, 41, 42, 43, 50, 51, 61, 62, 63, 64, 216, 225, 240, 243, 318, 319, 329, and 330, 382, 384, 385 and tracts H, L, and XX (all as designated on the Plat) for the maintenance and enforcement of the sight distance triangles required as part of the Conditions of Approval, as defined in Section 7.12.1 below.

(e) Limitations on Use. Use of the Common Areas by the Owners shall be subject to the provisions of this Declaration and to the following:

(i) the right of the Association to suspend the use rights of an Owner, to the extent provided in Section 7 below; and

(ii) the right of the Association to adopt, amend, and repeal rules and regulations, in accordance with this Declaration and the Bylaws.

(f) Delegation of Use. In accordance with the Bylaws and subject to any rules and regulations of the Association then in effect, any Owner may delegate to the members of his or her household and to his or her tenants or contract purchasers, in each case, who reside on the Lot, his or her right of enjoyment of the Common Areas.

6.1.4 Use of the Common Areas

Except as otherwise provided in this Declaration, the Common Areas shall be reserved for the use and enjoyment of all Owners and no private use may be made of such Common Areas. The Board shall have authority to abate any trespass or encroachment upon the Common Areas at any time, by any reasonable means and with or without having to bring legal proceedings. The Board may, from time to time and in its discretion, make rules and regulations for the use of the Common Areas, as provided in Section 4.9 above. No noxious or offensive activities shall be carried on upon any of the Common Areas, nor shall anything be done or placed on the Common Areas if it interferes with or jeopardizes the enjoyment of other Lots or the Common Areas or is a source of annoyance to residents.

6.1.5 Use of the Alleys

In addition to the foregoing restrictions on use of the Common Areas, use of the Alleys shall be reserved for the use of only the Owners whose Dwellings are served by such alley.

6.1.6 Alienation of the Common Areas

The Association may not, by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer any portion of the Common Areas, unless not less than seventy-five percent (75%) of the Votes agree to such alienation, such action complies with any applicable City of Portland ordinances, and Declarant has given its written approval. These provisions shall not apply to a grant of the easements described in Sections 6.1.3(b) or 6.1.3(c) above. A sale, transfer, or encumbrance of the Common Areas or any portion of the Common Areas, in accordance with this Section 6.1.6 may provide that the Common Areas so conveyed shall be released from any restriction imposed on such Common Areas by this Declaration. No such sale,

transfer, or encumbrance may, however, deprive any Lot of such Lot's right of access or support without the written consent of the Owner of such Lot.

SECTION 7. USE RESTRICTIONS

7.1 Single-Family Lot Use Restrictions

7.1.1 Structures Permitted on Single-Family Lots.

No improvements shall be erected or permitted to remain on any Single-Family Lot except one Dwelling and improvements normally accessory thereto.

7.1.2 Residential Use.

Single-Family Lots shall only be used for residential purposes. Except with the prior written approval of the Board, and as allowed by applicable City of Portland ordinances, no trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any Single-Family Lot, nor shall any goods, equipment, vehicles, materials or supplies used in connection with any trade, service or business be kept or stored on any Single-Family Lot. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the sale of Single-Family Lots, (b) the right of Declarant or any contractor or homebuilder to construct a Dwelling or accessory improvement on a Single-Family Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any Dwelling as a sales office or model home for purposes of sales in New Columbia, and (c) the right of the owner of a Single-Family Lot to maintain his professional personal library, keep his personal business or professional records or accounts, handle his personal business or professional telephone calls or confer with business or professional associates, clients or customers, in his Dwelling. The Board shall approve commercial activities otherwise prohibited by this paragraph if the Board determines that only normal residential activities would be observable outside of the Dwelling and that the activities would not be in violation of applicable City of Portland ordinances.

It is the intent of this Declaration that the Single-Family Lots be used for owner-occupied residential purposes. To implement that intent, while allowing for some limited Board flexibility, no Owner may rent a Dwelling on a Single-Family Lot to a non-Owner without complying with the following provisions:

(a) Prior to the rental of any Dwelling on a Single-Family Lot, the Owner proposing such rental shall make an application to the Board to rent the Dwelling. A separate application shall be made for each Dwelling proposed for rental. The application shall contain (1) the proposed lease or rental agreement terms, (2) all financial and other relevant information as the Board may request regarding all

proposed tenants, (3) a statement demonstrating why the proposed rental will not conflict with the intent of this Declaration or why such intent should not apply in this instance, and (4) an application fee set by the Board. The Board or, at the Board's discretion, a commercial tenant screening company retained by the Association, shall review the application and shall render a decision on the application within 15 days of its submittal. The Board may approve the application if it determines that (1) the tenant's occupancy of the Dwelling will meet standards reasonably established by the Association, (2) the proposed lease or rental agreement incorporates the applicable restrictions imposed by this Declaration, and (3) the leasing or rental of the Dwelling does not conflict with the intent of this Declaration or the intent of this Declaration should not apply in this instance. Upon entering into the lease or rental agreement, the Owner shall submit a copy of the executed agreement to the Board, which agreement shall not vary materially from the agreement submitted to the Board for its review. All leases and rental agreements shall comply with the Oregon Residential Landlord and Tenant Act.

7.2 Multi-Family Lot Use Restrictions

No improvements shall be erected or permitted to remain on any Multi-Family Lot except for multi-family dwelling structures or mixed-use structures and improvements normally accessory thereto. Mixed-use structures shall have retail/service uses and/or residential uses on the first floor and residential uses only on all other floors. This provision shall not be interpreted to restrict the location of service uses necessary to the operation of the structure as a multi-family dwelling or senior housing or as restricting the location of any sales or rental office or model apartment for purposes of sales or rental in New Columbia. Multi-Family Lots shall be used only for multi-family residential uses or, subject to City of Portland Planning and Zoning Code restrictions, mixed multi-family residential and retail/service uses.

7.3 Retail/Service Use Restrictions

Any retail/service use proposed on any Lot must receive written approval from the Board prior to commencement of business. The Board shall only grant such approval if it determines that the proposed use is designed to primarily serve the residents of New Columbia and the immediately adjacent portions of the Portsmouth neighborhood and that the activities will not be in violation of applicable City of Portland ordinances. In addition to other use restrictions contained in this Section 7, the following uses are expressly prohibited on all Lots:

- 1) any use which is offensive by reason of odor, fumes, dust, smoke, noise, glare, heat, sound, vibration or pollution, or which constitutes a nuisance or is hazardous by reason of risk of fire or explosion, or injurious to the

reputation of New Columbia; however, nothing in this Section 7.3 shall be deemed to prohibit the use of sirens or flashing lights on ambulances or other emergency vehicles;

- 2) (1) junk, auto wrecking or salvage yards; (2) distillation of bones; dumping, disposal, incineration or reduction of garbage, sewage, dead animals, and refuse; (3) saw or planing mills; (4) manufacture or production of cement, lime, asphalt, gypsum, fireworks, wood pulp, or the like; (5) cemeteries; (6) jail, penal, detention, or correction farms; (7) an operation or use which is in violation of the City of Portland Zoning Ordinance for the Zone in which the Lot is located; (8) disposal or storage of hazardous or toxic substances anywhere on the site, other than storage ancillary to an otherwise permitted use; (9) on-site dry-cleaning; (10) carnivals, amusement enterprises or similar public open air activities, except with the prior written approval of the Board; (11) any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation; (12) any automobile, truck, trailer, mobile home, or recreational vehicle sales, leasing, or display; (13) any hotel, sleeping apartments or lodging facility; (14) any mortuary, funeral parlor or home or similar service establishment; or (15) any off-track betting establishment, any business materially devoted to sale of articles or merchandise normally used or associated with illegal or unlawful activities, including, without limitation, the sale of paraphernalia used in connection with marijuana, cocaine or other controlled drugs or substances; .
- 3) (1) any massage parlor, adult book store, peep show store, head shop store or any other store or club whose principal business and/or inventory includes nude photos, sexual devices, magazines, videos, tapes or objects depicting genitalia and other similar items; (2) any business which employs individuals for the purposes of display of genitalia, whether bottomless or topless; (3) any business engaged in the manufacture, production, display, or promotion of adult entertainment including video tapes, magazines, CD-ROMs, Internet content or other services that depict or display genitalia; and
- 4) any ballroom, night club, dance hall, or discotheque. This provision shall not be interpreted to prohibit the opening of a neighborhood bar or restaurant serving alcohol.
- 5) (1) Manufacturing and Production, (2) Wholesale Sales, (3) Major Event Entertainment, (4) Commercial Parking, and (5) Radio Frequency

Transmission Facilities, all as those terms are defined in Chapter 33.920 of the City of Portland Zoning Code.

7.4 Offensive or Unlawful Activities.

No noxious or offensive activities shall be carried on in any Dwelling or upon any Lot or Common Area, nor shall anything be done or placed in any Dwelling or on any Lot or Common Area which interferes with or jeopardizes the enjoyment of other Dwellings, Lots, or the Common Areas, or which is a source of annoyance to residents. No unlawful use shall be made of a Lot nor any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof, shall be observed.

7.5 Animals.

Except as expressly provided in this Section 7.5, no animal, livestock or poultry of any kind shall be raised, bred, kept or permitted in New Columbia. Unless granted a specific written exemption by the Board, a maximum of four household pets, not including fish, may be kept in any one Unit. Household pets shall not include livestock or poultry and shall include only animals normally kept as pets in this Multnomah County. No dangerous animals, including dogs bred or trained for fighting and wild animals, may be kept as pets.

All City of Portland, Multnomah County, or State of Oregon laws, regulations, ordinances, and codes relating to the keeping, control, treatment, breeding, and use of animals shall be observed at all times. Pets shall be reasonably controlled so as not to be a nuisance and shall generally be kept indoors. No pet may be kept exclusively outdoors. Pets shall not be permitted to roam New Columbia unattended. All dogs shall be kept on a leash while not in a Unit.

No pet shall be left unattended for a period that, in the judgment of the Board, presents an unreasonable risk of harm to the pet. In determining whether there is an unreasonable risk of harm, the Board shall take into account the species of pet, length of time left unattended, protective measures implemented, weather, and any other relevant consideration. Unless granted a specific written exemption by the Board, all juvenile cats, dogs, and rabbits must be spayed or neutered according to the schedule and guidelines prepared by the American Veterinary Medical Association and all adult cats, dogs, and rabbits must be spayed or neutered within three (3) months of being brought to New Columbia. All cats and dogs must wear visible identification that includes owner contact information at all times.

Any inconvenience, damage or unpleasantness caused by any pets shall be the responsibility of the respective owners thereof and the owner or resident of the Unit

where such pet is kept. The Board may, at its discretion, require an Owner or resident to remove a pet from New Columbia upon receipt of the notice in writing from the Board of violations of any rule, regulation or restriction governing pets within New Columbia. No individual shall initiate any suit or action to enforce any provision of this Section 7.4 without first submitting the dispute to the Board for mediation. Only once the Board has determined that mediation has been unsuccessful may an individual initiate an action or suit to enforce this Section 7.5.

7.6 Maintenance of Structures and Grounds.

Each Owner shall maintain such Owner's Lot(s) and improvements thereon in a clean and attractive condition, in good repair and in such fashion as not to create a fire hazard. Such maintenance shall include, without limitation, painting, repair, replacement and care for roofs, gutters, downspouts, exterior building surfaces, walks and other exterior improvements and glass surfaces. In addition, each Owner shall keep all shrubs, trees, grass and plantings of every kind on such Owner's Lot neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material. Damage caused by fire, flood, storm, earthquake, riot, vandalism, or other causes shall likewise be the responsibility of each Owner and shall be repaired within a reasonable period of time.

7.7 Parking; Vehicles in Disrepair.

Parking of boats, trailers, trucks, truck campers, or recreational vehicles in excess of a length to be established by the Board and the parking of equipment and vehicles in excess of a gross vehicle weight to be established by the Board shall not be allowed on any part of the Property or on public streets adjacent thereto, excepting within the confines of an enclosed garage. No Owner shall permit any vehicle that is in an extreme state of disrepair to be abandoned or to remain parked upon any Lot, Common Area, or public street for a period in excess of 48 hours. A vehicle shall be deemed in an "extreme state of disrepair" when the Board reasonably determines that its presence offends occupants of the neighborhood. All Owners are required to execute any documents, file any forms, and provide any notice required under ORS Chapter 98 in order to implement this provision. Furthermore, no Single-Family Lot Owner shall permit more than three (3) vehicles to be parked on its Single-Family Lot at any one time. If an Owner permits a vehicle in an extreme state of disrepair to be abandoned or remain upon any Lot, Common Area, or public street or otherwise violates this Section 7.7, in addition to any other remedies that may be available to the Association, the Association may have the vehicle removed from New Columbia pursuant to City of Portland Code Chapter 16.30 or ORS Chapter 98, which provide for notice prior to removal and assess the expense of such removal to the Owner, or pursuant to any other applicable procedure for removal of such vehicle.

7.8 Signs.

No signs shall be erected or maintained on any Lot except signs which are approved as to appearance and location by the Architectural Review Committee. Approval shall not be required for signs 6 inches by 24 inches (or less) displaying the occupant's name and address, temporary signs not larger than 18 inches by 24 inches advertising the property for sale or rent, signs not larger than 18 inches by 24 inches announcing support for an individual or position listed upon an election ballot recognized by the Secretary of State of the State of Oregon as an official election ballot, and temporary community decorations. Such sign must be removed upon the sale, rental of the unit, holding of the election, or conclusion of the community project (as applicable).

7.9 Rubbish and Trash.

No Lot or part of the Common Area shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal and out of public view. Yard rakings, dirt and other material resulting from landscaping work shall not be dumped onto streets, or Common Areas, or on any Lots. All unimproved Lots shall be kept in a neat and orderly condition free of brush, vines, weeds and other debris, and grass thereon shall be cut or mowed at sufficient intervals to prevent creation of a nuisance or fire hazard. If any default under this Section 7.8 exists for a period longer than ten days after written notice of such default is mailed to the responsible Owner by the Association, the Association shall have, in addition to any other rights under this Declaration, or at law or in equity, the remedies specified in Section 9.

7.10 Temporary Structures.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any Lot at any time as a residence either temporarily or permanently.

7.11 Hedges and Plantings along Lot Lines.

No hedges or plantings along Lot lines shall be installed without prior approval of the Architectural Review Committee.

7.12 Conditions of Approval

7.12.1 Conditions of Approval

In addition to the covenants, conditions, and restrictions imposed pursuant to this Declaration, the Property is subject to a number of conditions of approval

imposed on it as a result of several City of Portland land use reviews (LU 03-118615 LDS CP ZC AD) (the “Conditions of Approval”). Included in the Conditions of Approval is a requirement that all development on the Property comply with the tree protection plan attached thereto. The Conditions of Approval are attached hereto as Exhibit C and the restrictions imposed on the Property by those conditions are incorporated herein by this reference. No activity governed by the Conditions of Approval may be commenced without the prior written approval of the Architectural Review Committee.

7.12.2 Tree Preservation Plan

To assure implementation of the tree preservation plan, any proposal to (a) cut a tree with a diameter at breast height (DBH) greater than six (6) inches on any Single Family Lot or (b) cut any tree on any Multi-Family Lot or Common Area shall be submitted to the Architectural Review Committee for review for compliance with the tree protection plan.

7.12.3 Special Purpose Tracts

The Conditions of Approval require the designation of certain special purpose tracts and the imposition of restrictions on those tracts. The following table is a list of the tracts, as identified on the Plat, followed by the specific use restriction placed on those tracts by the Conditions of Approval:

Tract Name(s)	Tract Type	Use Restriction
AA, CC, D, EEE, FF, G, H, HH, J, JJ, L, LL, M, MM, NNN, O, PP, PPP, Q, QQ, R, SSS, TTT, U, V, X, XX, Y, 2F, 2I, 2M, 2P	Private Common Green	Shall be maintained as common green and access to private lots which do not front public rights-of-way; shall contain public access easements over any developed sidewalks within the tracts.
B, CCC, KK, 2D	Private Common Green / Recreation Area	Shall be maintained as recreation areas and access to private lots which do not front public rights-of-way; shall contain public access easements over any developed sidewalks within the tracts.
B – Partition Plat of Lot 198	Private Parking	Shall be maintained as parking area for the benefit of private lots 208, 209, 210, 211.
A, BBB	Highway Safety and Access Control Buffer	No streets or other vehicular traffic

In addition to the restrictions in this Section 7.12, the tracts are included within the Common Areas and are subject to the general Common Area use restrictions.

7.12.4 City of Portland

The City of Portland shall have the right to enforce compliance with the Conditions of Approval.

7.12.5 Amendment

The restrictions imposed by the Conditions of Approval through this Declaration shall remain in effect until such time as (1) the Conditions of Approval are modified through the appropriate City of Portland process and with the prior written consent of Declarant, (2) the Conditions of Approval expire, or (3) the code provision, or any successor thereto, imposing any given Condition of Approval is modified in such a way as to make the Condition of Approval no longer enforceable, relevant, or appropriate and Declarant provides a written statement of concurrence with the determination that the Condition of Approval is no longer enforceable, relevant, or appropriate.

7.13 Service Yards.

Service yards (garbage, fuel tanks, etc.) shall be completely screened so that the elements screened are not visible at any time from the street or any adjoining property. Trash cans, garbage containers, recycling bins, and other similar containers, whether

screened or unscreened, may not be located between the front lot line of a Lot and a line coinciding with the front elevation of the primary structure on the Lot extended to both side lot lines, except on the waste pick-up day for that Lot.

7.14 Antennas and Satellite Disks.

Exterior antennas, satellite receiver and satellite transmission disks shall not be permitted to be placed upon any Lot except as approved by the Architectural Review Committee. The preceding restriction shall not, however, apply to the following items:

(1) a "dish" antenna that is one meter (39.37") or less in diameter and is designed to receive direct broadcast satellite service, including direct-to-home satellite service, or to receive or transmit fixed wireless signals via satellite.

(2) an antenna that is one meter or less in diameter or diagonal measurement and is designed to receive video programming services via MMDS (wireless cable) or to receive or transmit "fixed wireless signals" other than via satellite ("fixed wireless signals" are any commercial non-broadcast communications signals transmitted via wireless technology to and/or from a fixed customer location. Examples include wireless signals used to provide telephone service or high-speed Internet access to a fixed location. This definition does not include, among other things, AM/FM radio, amateur ("HAM") radio, Citizens Band ("CB") radio, and Digital Audio Radio Services ("DARS") signals).

(3) an antenna that is designed to receive local television broadcast signals.

7.15 Setback, Maximum Height, and Minimum Yard Requirements.

Each Lot shall be subject to the setback, maximum height, and minimum yard requirements established by City of Portland ordinance and to any land use review procedure established by the City of Portland for review and approval of variance from such requirements. In addition, all Lots are subject to any more restrictive setback, maximum height, or minimum yard requirements as are established from time to time by the Architectural Review Committee. No improvement shall be constructed or maintained in violation of any setback, maximum height, or minimum yard requirement, except with the written consent of the Architectural Review Committee and any applicable City of Portland approval.

7.16 Owner and Resident Rights

Neither the Board nor the Association may adopt any rule or regulation in violation of the following provisions:

7.16.1 Equal Treatment

Similarly situated owners shall be treated similarly.

7.16.2 Speech

The rights of Owners and occupants to display on their Unit political signs and symbols of the kinds normally displayed inside or outside of residences located in residential neighborhoods on individually owned property shall not be abridged, except that the Board may adopt reasonable time, place, and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

7.16.3 Religious and Holiday Displays

The right of Owners to display on their Unit religious and holiday signs, symbols, and decorations of the kinds normally displayed inside or outside of residences located in residential neighborhoods shall not be abridged, except that the Board may adopt reasonable time, place, and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

7.16.4 Household Composition

The Association or Board shall make no rule that interferes with the freedom of occupants to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Dwelling on the basis of the size and facilities of the Dwelling, to the extent not prohibited by law.

7.16.5 Activities within a Unit

Neither the Association nor the Board shall make any rule that interferes with the activities of the residents carried on within the confines of their Dwelling, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that impose monetary costs on the Association or other Owners that create a danger to the health or safety of other occupants, that generate excessive noise or traffic, that create unsightly conditions visible outside of the Dwelling, that block views from other Dwellings, or that create an unreasonable source of annoyance.

7.16.6 Interpretation of this Section

This Section 7.16 shall be interpreted to give the Association and the Board the widest possible latitude in adopting rules and regulations as long as such rules and regulations do not conflict with Declarant's obligations under the U.S. Constitution, federal civil rights laws, federal housing laws, the State of Oregon Constitution, and Oregon statutes.

7.17 Grant of Waivers or Consents.

Except as specifically provided in this Section 7, authority to grant or extend exceptions, variances, waivers, and consents contemplated by this Section 7 shall be exclusively in the Association acting through its Board and no Owner or other individual claiming rights through this Declaration shall have any right to bring an action under this Declaration to enforce a provision for which the Board has granted an exception, variance, or waiver pursuant to this Section 7. However, such person shall have the right to bring an action to enforce the terms and conditions of any such exception, variance, or waiver.

SECTION 8. ARCHITECTURAL REVIEW COMMITTEE

8.1 Architectural Review.

No improvement shall be commenced, erected, placed, altered, or maintained on any Single-Family Lot until the design plans and specifications showing the nature, shape, heights, materials, colors, proposed location of the improvement, and frontage landscaping (including fencing and hardscaping) have been submitted to and approved in writing by the Architectural Review Committee. It is the intent and purpose of this Declaration to achieve a high standard of quality of workmanship and materials, to create a pedestrian-oriented community, and to assure the integration of New Columbia into the surrounding neighborhood.

8.2 Procedure.

In all cases which the Architectural Review Committee approval or consent is required by this Declaration, the provisions of this Article shall apply. The procedure and specific requirements for application for Architectural Review Committee approval or consent shall be set forth in Design Guidelines attached hereto as Exhibit D, as they may be amended from time to time by the Architectural Review Committee. The Architectural Review Committee may charge a reasonable fee to cover the cost of processing the application.

8.3 Committee Decision.

The Architectural Review Committee shall render its decision on an application for approval of the design of an improvement or any other proposal submitted to it for approval or consent within thirty (30) days after it has received a complete written application therefor. A complete application shall specify the approval or consent requested and be accompanied by all material reasonably required or desired by it to make an informed decision on such application. If the Architectural Review Committee fails to render approval or disapproval of such application within thirty (30) days after the Architectural Review Committee has received a complete application or if no suit to enforce this Declaration has been commenced within one year after completion of construction of the improvement, approval will not be required and the related provisions of this Declaration shall be deemed to have been fully complied with.

8.4 Committee Discretion.

The Architectural Review Committee may, in its sole discretion, withhold or condition its approval of any proposed improvement if the Architectural Review Committee finds the proposed improvement would be inappropriate for the particular Lot or incompatible with the design standards that the Committee intends for New Columbia. Consideration of siting, shape, size, color, design, height, solar access, or other effect on the enjoyment of other Lots or the Common Areas, disturbance of existing terrain and vegetation and any other factors which the Architectural Review Committee reasonably believes to be relevant, may be taken into account by the Architectural Review Committee in determining whether or not to approve or condition its approval of any proposed improvement.

8.5 Membership; Appointment and Removal.

The Architectural Review Committee shall consist of as many persons, but not less than three, as the Declarant may from time to time appoint. The Declarant may remove any member of the Architectural Review Committee from office at any time and may appoint new or additional members at any time. The Association shall keep on file at its principal office a list of the names and addresses of the members of the Architectural Review Committee. Declarant may at any time delegate to the Board the right to appoint or remove members of the Architectural Review Committee. If Declarant delegates to the Board the right to appoint or remove members of the Architectural Review Committee or if Declarant fails to appoint an Architectural Review Committee, the Board shall assume responsibility for appointment and removal of members of the Architectural Review Committee. If the Board has assumed the responsibility for appointment of the members of the Architectural

Review committee and fails to make such appointments, the Board shall itself serve as the Architectural Review Committee.

8.6 Majority Action.

Except as otherwise provided herein, a majority of the members of the Architectural Review Committee shall have the power to act on behalf of the Architectural Review Committee, without the necessity of a meeting and without the necessity of consulting or notifying the remaining members of the Architectural Review Committee. The Architectural Review Committee may render its decision only by written instrument setting forth the action taken by the members consenting thereto.

8.7 Liability.

The scope of the Architectural Review Committee's review is not intended to include any review or analysis of structural, geophysical, engineering, or other similar considerations. Neither the Architectural Review Committee nor any member thereof shall be liable to any Owner, occupant, builder, or developer for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Architectural Review Committee or a member thereof, provided only that the Architectural Review Committee has, or the member has, in accordance with the actual knowledge possessed by the Architectural Review Committee or by such member, acted in good faith.

8.8 Nonwaiver.

Consent by the Architectural Review Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent.

8.9 Appeal.

After Declarant has delegated appointment of the members of the Architectural Review Committee to the Board, any owner adversely affected by action of the Architectural Review Committee may appeal such action to the Board. Appeals shall be made in writing within ten (10) days of the Architectural Review Committee's action and shall contain specific objections or mitigating circumstances justifying the appeal. A final, conclusive decision shall be made by the Board of the Association within thirty (30) days after receipt of such appeal.

8.10 Effective Period of Consent.

The Architectural Review Committee's consent to any proposed improvement shall automatically be revoked one year after issuance unless construction of the improvement has been commenced or the Owner has applied for and received an extension of time from the Committee.

8.11 Estoppel Certificate.

Within 15 working days after written request therefor is delivered to the Architectural Review Committee by any Owner, and upon payment to the Architectural Review Committee of a reasonable fee, if any, fixed by the Architectural Review Committee to cover costs, the Architectural Review Committee shall provide such owner with an estoppel certificate executed by a member of the Committee and acknowledged, certifying with respect to any Lot owned by the Owner, that as of the date thereof, either: (a) all improvements made or done upon or within such Lot by the Owner comply with this Declaration, or (b) such improvements do not so comply. If the estoppel certificate states that the improvements do not comply, such certificate shall also identify the noncomplying improvements and set forth with particularity the nature of such noncompliance. Any purchaser from the Owner, and any mortgagee or other encumbrancer, shall be entitled to rely on such certificate with respect to the matters set forth therein, such matters being conclusive as between Declarant, the Architectural Review Committee, the Association and all Owners, and such purchaser or mortgagee.

8.12 Construction by Declarant.

Improvements constructed and activities undertaken by Declarant or any affiliate of Declarant are not subject to the requirements of this Section 8, including items required to be reviewed by the Architectural Review Committee pursuant to any other section of this Declaration, except for Section 7.12.2.

SECTION 9. ENFORCEMENT

9.1 Use of the Common Areas

9.1.1 By Owners

If any Owner shall violate any provision of this Declaration, the Bylaws, or any rules or regulations of the Association, governing the use of the Common Areas, then the Association, acting through the Board, may in writing notify the Owner that the violations exist and that such Owner is responsible for them and may, after affording

the Owner reasonable notice and opportunity to be heard, do any or all of the following:

- (a) suspend the Owner's voting rights in the Association and/or right to use the Common Areas for the period that the violations of provisions of this Declaration or the Bylaws remain unabated or for any period not to exceed sixty (60) days for any infraction of any rules and regulations;
- (b) impose reasonable fines upon the Owner, in the manner and amount the Board deems appropriate in relation to the violation, which fines shall be paid into the maintenance and operation account of the Association;
- (c) file a lien against the Lot of the Owner for the amount of any costs incurred or fines imposed;
- (d) bring suit or action against such Owner on behalf of the Association and other Owners, to enforce this Declaration, the Bylaws or any rules and regulations of the Association; and/or
- (e) enter onto the offending Lot, without being subject to any trespass, conversion or any other claim for damages, and remove the cause of such violation, or alter, repair or change the item which is in violation of this Declaration in such a manner as to make it conform thereto, in which case the Association may assess such Owner for the entire cost of the work done.

Nothing in this Section, however, shall give the Association the right to deprive any Owner of access to and from such Owner's Lot. Any attorneys' fees incurred by the Association in preparing and filing a lien, enforcing this Declaration, the Bylaws or any rule or regulation are collectable from the violating Owner whether or not suit or action is filed.

9.2 Default in Payment of Assessments; Enforcement of Lien

If an Assessment or other charge levied under this Declaration is not paid within thirty (30) days after its due date, such Assessment or charge shall become delinquent and shall bear interest from the due date until paid, at the rate set forth below and, in addition, the Association may exercise any or all of the following remedies:

9.2.1 Suspension of Rights; Acceleration

The Association may suspend such Owner's voting rights in the Association and right to use the Common Areas until such amounts, plus other charges under this Declaration are paid in full and may declare all remaining periodic installments of any

Assessment or any other amounts owed by such Owner to the Association immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from such Owner's Lot.

9.2.2 Lien

The Association shall have a lien against each Lot for any Assessment levied against such Lot, together with any attorneys' fees and costs, interest, fines or other charges imposed against the Owner of the Lot under this Declaration, the Bylaws or rules and regulations, from the date on which the Assessment, attorneys' fees and costs, interest, fines, or charge is due, whether or not suit or action is filed. The lien shall be a continuing lien which, as long as any lienable sum continues to be owed to the Association by any Owner with respect to the Lot of the Owner, shall accumulate all future Assessments, interest, fines and other charges as set forth in this Declaration and attorneys' fees and costs incurred in the collection thereof (whether or not suit is filed). If any Assessment is payable in installments, the full amount of the assessment is a lien from the date the first installment of the assessment becomes due, and in the event any installment is delinquent, the due date of all future installments shall be accelerated and become due when the lien is filed. The Association, through its duly authorized agents, may bid on the Lot at the foreclosure sale of any such lien and may, without the approval of the members as would otherwise be required under Section 6.1.6, acquire and hold, lease, mortgage, and convey any Lot acquired in such fashion.

9.2.3 Suit or Action

The Association may bring an action to recover a money judgment for unpaid Assessments, interest, fines, and charges under this Declaration, without foreclosing or waiving the lien described in Section 9.2.2. Recovery on any such action, however, shall operate partially or fully to satisfy the lien, or the portion thereof, to the extent recovery is made. Any money judgment awarded to the Association in such action shall not be deemed to merge into the lien.

9.2.4 Other Remedies

The Association shall have any other remedy available to it by law or in equity.

9.3 Notification of First Mortgagee

Following written request to the Board identifying the name and address of the first mortgagee of any Lot and the Lot address, the Board may provide notice of any default in performance of the terms of this Declaration by the Owner of that Lot to the first mortgagee, if the default is not cured within sixty (60) days of the Owner receiving notice of the default.

9.4 Subordination of Lien to Mortgages

The lien for the assessments or charges provided for in this Declaration shall be subordinate to the lien of any first mortgage or deed of trust on such Lot if the mortgage or deed of trust was made in good faith and for value and was recorded prior to the recordation of the notice of the lien for assessments or charges. Sale or transfer of any Lot shall not affect the assessment lien or right to lien, provided, however, that the sale or transfer of any Lot subject to a first mortgage or deed of trust pursuant to a decree of foreclosure thereunder or pursuant to a proceeding, deed, or assignment in lieu of foreclosure shall extinguish the lien of an assessment, notice of which was recorded after the recording of the first mortgage or trust deed. Such sale or transfer, however, shall not release the Lot from liability for any assessments or charges thereafter becoming due or from the lien of such subsequent assessments or charges.

9.5 Enforcement by City of Portland

The provisions of this Declaration relating to the preservation and maintenance of Common Areas shall be deemed to be for the benefit of the City of Portland as well as the Association and Owners of Lots, and the City may, but shall not be required to, enforce such provisions by appropriate proceedings at law or in equity.

9.6 Interest, Expenses, and Attorneys' Fees

Any amount not paid to the Association when due in accordance with this Declaration shall bear interest from the due date until paid at a rate of eighteen percent (18%) per annum, or at such other rate as may be established by the Board, but not to exceed the lawful rate of interest under the laws of the State of Oregon. A late charge for each delinquent assessment may be charged in an amount to be established from time to time by resolution of the Board and not to exceed thirty percent (30%) of such assessment. If the Association shall file a notice of lien, the lien amount shall also include the recording fees and attorneys' fees and costs associated with preparing and filing the lien, and any attorneys' fees and costs incurred in attempting to collect the delinquent amount prior to the filing of the lien, whether or not suit or action is filed. If the Association shall bring any suit or action to enforce this Declaration, Bylaws or any rule or regulation promulgated thereunder, or to collect any money due hereunder or to foreclose a lien, the Owner-defendant shall pay to the Association all costs and expenses, including a foreclosure title report, incurred by the Association in connection with such suit or action, and the prevailing party in such suit or action shall recover such amount as the court may determine to be reasonable as attorneys' fees and costs at trial and upon any appeal or petition for review thereof.

9.7 Nonexclusiveness and Accumulation of Remedies

An election by the Association, to pursue any remedy provided for violation of this Declaration, shall not prevent concurrent or subsequent exercise of any other remedy permitted hereunder. The remedies provided in this Declaration are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law to the Association. In addition, any aggrieved Owner may bring an action against another Owner or the Association, to recover damages or to enjoin, abate, or remedy any violation of this Declaration, by appropriate legal proceedings.

SECTION 10. CASUALTY

The Association shall be responsible for repairing, reconstructing, and rebuilding all damage to or destruction of the Common Areas and the improvements thereon, subject to the provisions of this Section 8 and of Section 5.5. The Association shall rebuild and/or restore the damaged or destroyed portions of the Common Areas and improvements thereon to substantially the same condition in which these existed prior to such damage or destruction unless Declarant agrees in writing that the damaged or destroyed portions shall not be rebuilt and/or restored and not less than seventy-five percent (75%) of the Votes approve. Rebuilding and/or restoration shall begin within sixty (60) days following the damage or destruction. If the proceeds of the insurance policies held by the Association are insufficient to fund the full cost of rebuilding and/or restoration, the difference between the amount of such proceeds and such cost shall be charged to all Owners, by means of a Special Assessment. If the damaged or destroyed portions of the Common Areas and improvements thereon are not be rebuilt and/or restored, the proceeds of the insurance policies held by the Association shall be distributed on an equitable basis in such manner as the Board shall determine. The Association shall represent the Owners in any proceeding, negotiation, settlement, or agreement relating to the payment of proceeds under any insurance policies held by the Association.

SECTION 11. MISCELLANEOUS

11.1 Term

The covenants, conditions, and restrictions of this Declaration shall run from the date hereof for a period of thirty (30) years, unless amended as herein provided. After the initial term, such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless extinguished by a written instrument executed by Declarant and the Owners having rights to at least seventy-five percent (75%) of the Votes and recorded in the deed records of Multnomah County.

11.2 Amendment and Repeal

11.2.1 This Declaration or any provision thereof, as from time to time in effect with respect to all or any part of the Property, may be amended or repealed only by the vote of not less than seventy-five percent (75%) of the Votes and, for so long as Declarant owns any lot or otherwise participates in the management or control of any aspect of New Columbia, the approval of Declarant.

11.2.2 Any such amendment or repeal shall become effective only upon recordation, in the deed records of Multnomah County, of a certificate of the president or secretary of the Association, setting forth in full the amendment, amendments, or repeal so approved and certifying that said amendment, amendments, or repeal have been approved in the manner required by this Declaration.

11.2.3 In no event shall an amendment under this Section create, limit, or diminish special Declarant rights without Declarant's written consent or change the boundaries of any Lot or any uses to which any Lot is restricted unless the Owners of the affected Lots unanimously consent to the amendment.

11.3 Regulatory Amendments

Notwithstanding the provisions of Section 11.2, until the turnover meeting described in Section 4.6, Declarant shall have the right to amend this Declaration or the Bylaws in order to comply with the requirements of any applicable statute, ordinance, regulation, or guideline of the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, any department or bureau or board or commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon, which body insures, guarantees, or provides financing for a planned community or lots in a planned community.

11.4 Notices

Any notices permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by certified mail return receipt requested to any person at the address given by such person to the Association for the purpose of service of such notice or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time, by notice in writing to the Association.

11.5 Right of Enforcement

Except as otherwise provided herein, any Owner of any Lot covered by this Declaration shall have the right to enforce any or all of the provisions hereof against any property covered by this Declaration and against the Owners thereof.

11.6 Remedies Cumulative

Each remedy provided herein is cumulative and not exclusive.

11.7 Joint Owners

In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility, and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest. However, if such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Association, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter.

11.8 Lessees and Other Invitees

Lessees, tenants, invitees, contractors, family members, and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvement, or enjoyment of such Owner's Lot and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons, in the same manner and to the same extent as if the failure had been committed by the Owner.

11.9 Non-Waiver

The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the rights to enforce any such provision or any other provision of said restrictions.

11.10 Restrictions Construed Together

All of the provisions hereof shall be liberally construed together to promote and effectuate the general plan and scheme of the Property.

11.11 Restrictions Severable

Each of the provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

11.12 Singular Includes Plural

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine, or neuter shall each include the masculine, feminine, and neuter.

11.13 Captions

All captions and titles used in this Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

11.14 HUD Restrictive Covenant

This Declaration and its provisions are hereby automatically subordinated to any restrictive covenants that have been recorded, or may be recorded in the future by HUD relating to the operation and maintenance of public housing on the Multi-Family Lots, as those restrictive covenants may be amended from time to time (the "HUD Covenants"). The Housing Authority of Portland, so long as it has an ownership interest in any of the Property, is hereby authorized, from time to time, to prepare, execute and record a document which subordinates this Declaration to the HUD Covenants with respect to the Multi-Family Lots.

11.15. Subordination to Other Government Entities


The Housing Authority of Portland, so long as it has an ownership interest in any of the Property, is hereby authorized, from time to time, to prepare, execute and record a document which subordinates this Declaration and any restrictive covenants that have been recorded, or may be recorded relating to the operation and maintenance of public housing on the Multi-Family Lots, to the requirements of any applicable statute, ordinance, regulation or guideline of the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, any department or bureau or board or commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of

Oregon, which body insures, guarantees, or provides financing for a planned community or lots in a planned community.

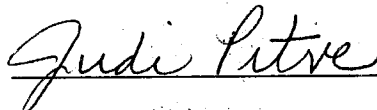
IN WITNESS WHEREOF, the Association and Declarant has executed this Declaration as of the date first set forth above.

NEW COLUMBIA OWNERS ASSOCIATION,

an Oregon nonprofit corporation



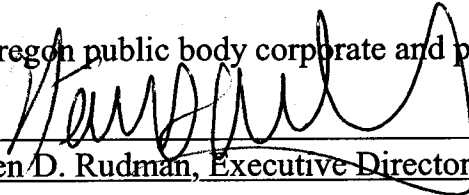
Michael Havlik, President



Judy Pitre, Secretary

THE HOUSING AUTHORITY OF PORTLAND,

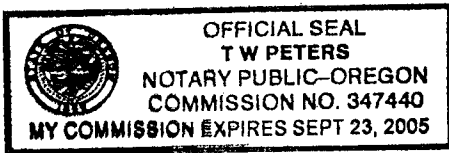
an Oregon public body corporate and politic



Steven D. Rudman, Executive Director

State of Oregon)
) SS.
County of Multnomah)

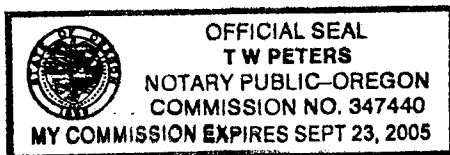
~~April~~ ^{May} The foregoing instrument was acknowledged before me on this 11th day of ~~April~~ ^{May}, 2005, by Michael Havlik as President of New Columbia Owners Association, an Oregon nonprofit corporation.



T W Peters
Notary Public for Oregon
My Commission expires: 9/23/05

State of Oregon)
) SS.
County of Multnomah)

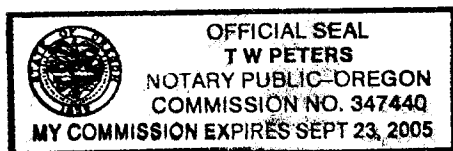
~~April~~ ^{MAY} The foregoing instrument was acknowledged before me on this 11th day of ~~April~~ ^{MAY}, 2005, by Judy Pitre as Secretary of New Columbia Owners Association, an Oregon mutual nonprofit corporation.



T W Peters
Notary Public for Oregon
My Commission expires: 9/23/05

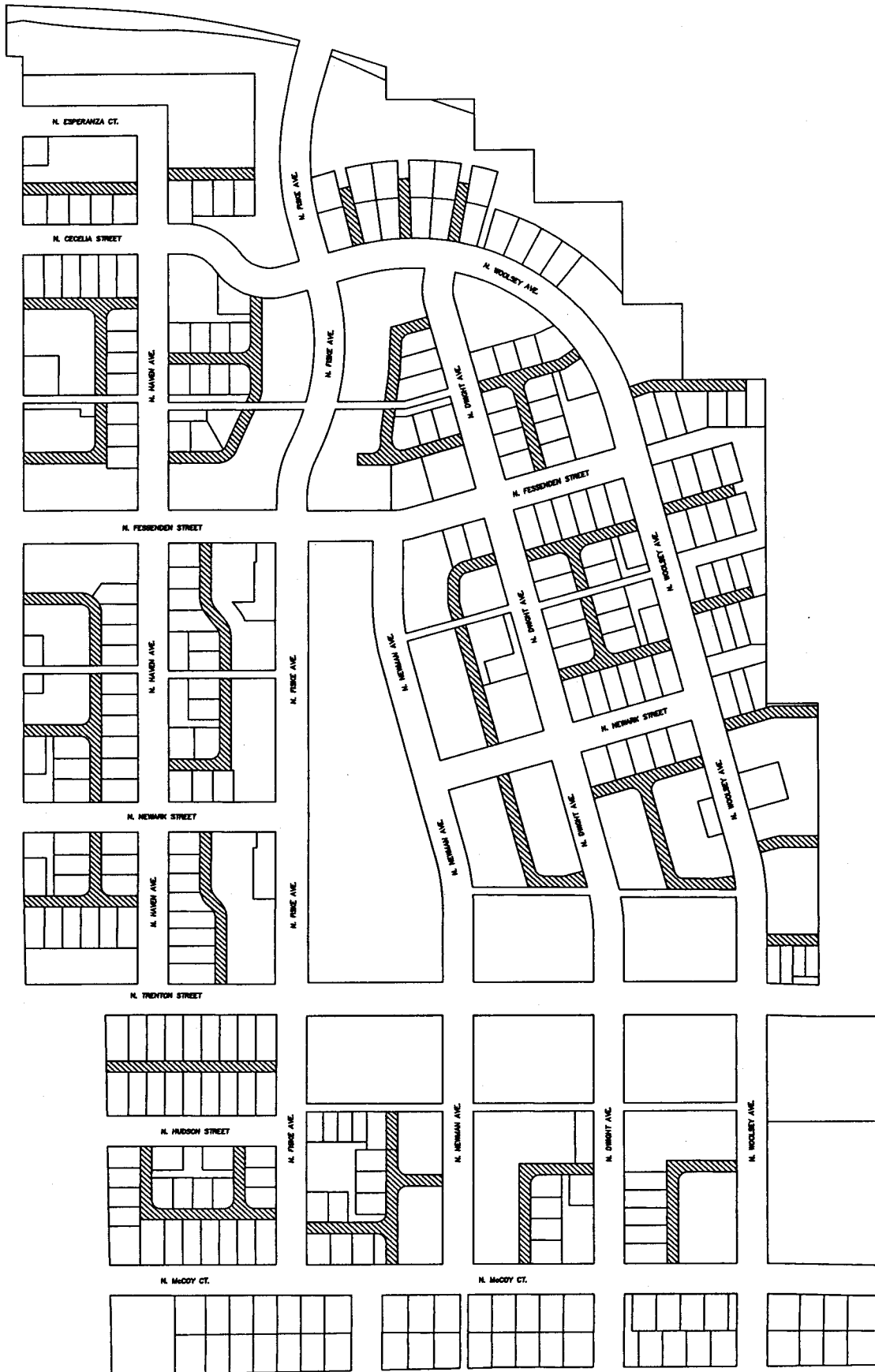
State of Oregon)
) SS.
County of Multnomah)

~~April~~ ^{May} The foregoing instrument was acknowledged before me on this 11th day of ~~April~~ ^{May}, 2005, by Steven D. Rudman as Executive Director of the Housing Authority of Portland.

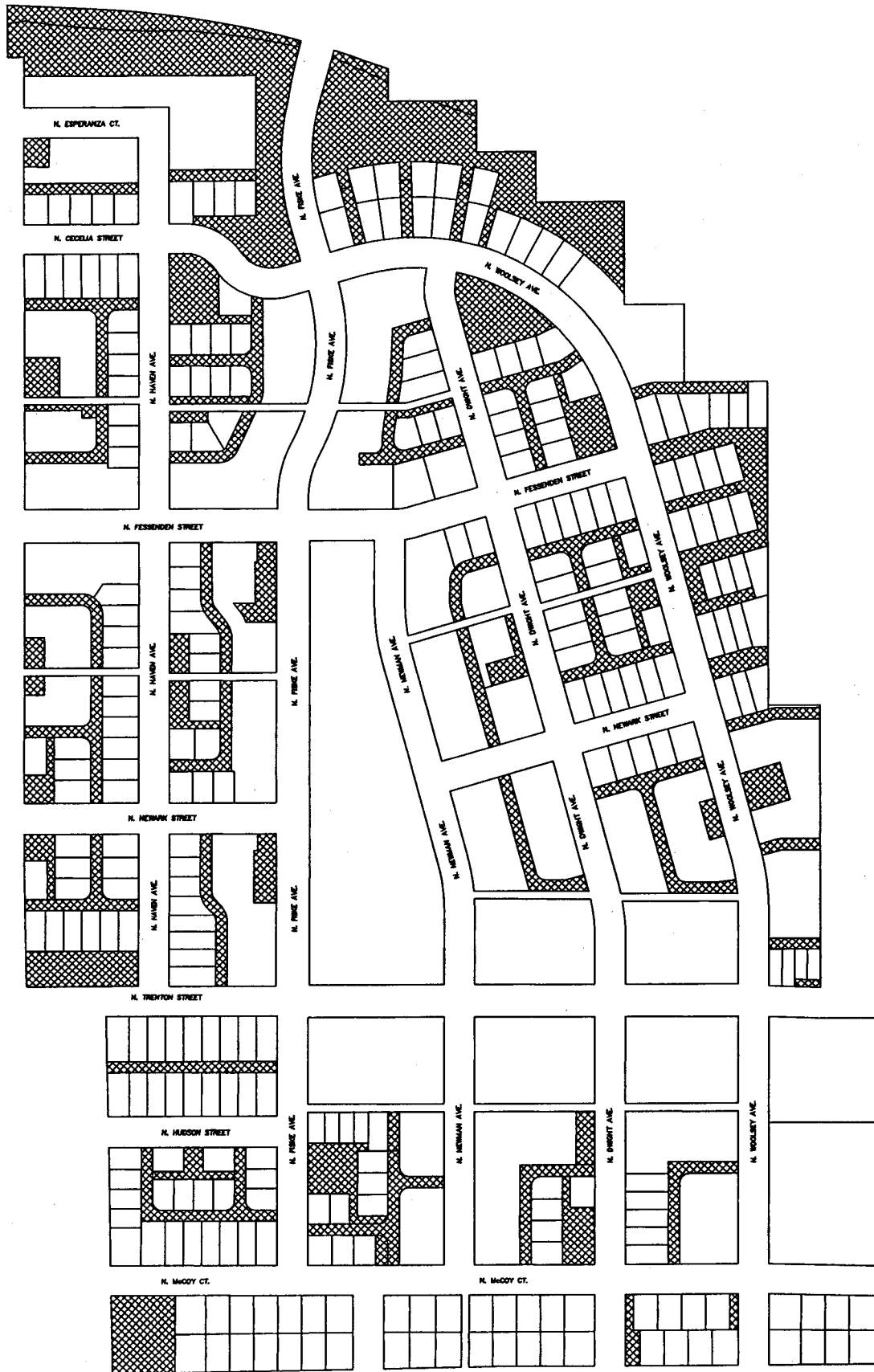


T W Peters
Notary Public for Oregon
My Commission expires: 9/23/05

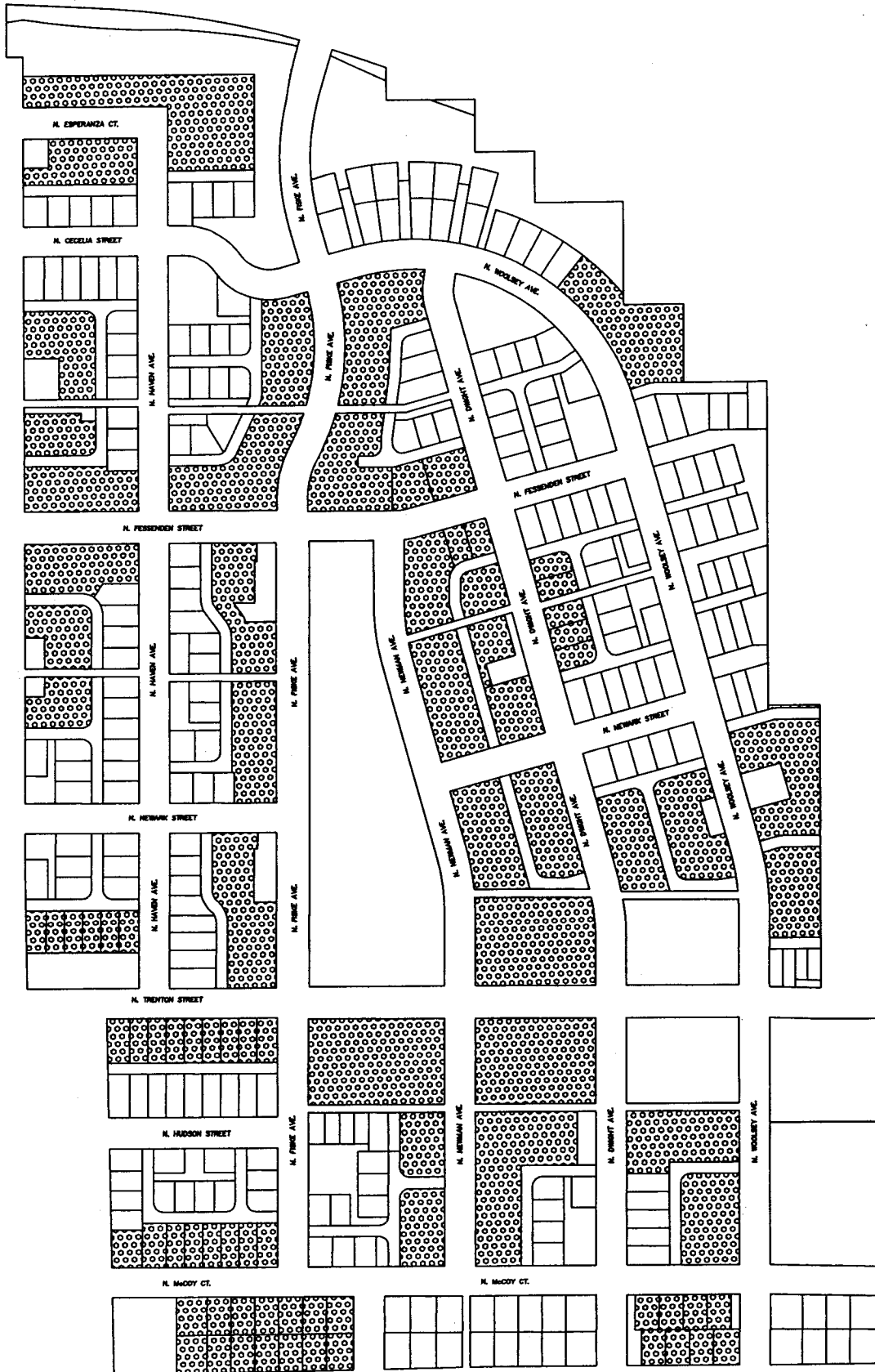
RESTATED EXHIBIT B: PROPERTY MAP ALLEYS



RESTATED EXHIBIT B: PROPERTY MAP COMMON AREAS



RESTATED EXHIBIT B: PROPERTY MAP MULTI-FAMILY LOTS



RESTATED EXHIBIT B: PROPERTY MAP SINGLE-FAMILY LOTS

