

ARTICLE 6

RESTRICTIONS ON USE, OCCUPANCY OR ALIENATION

Section 6.1. Use and Occupancy Restrictions on Units. The Declarant shall own in fee simple each Unit to which legal title is not conveyed or otherwise transferred to another person. The Declarant retains the right to enter into leases with any persons for the occupancy of any of the Units owned or leased by the Declarant. Each Unit is intended to serve as a self-contained living Unit and shall be subject to the Rules and Regulations and Bylaws of the Association. No Unit shall be used for other than single-family, residential purposes for the Unit Owner, and the Unit Owner's relatives, guests or tenants.

Section 6.2. Interval Ownership Prohibited. No ownership interest in any Unit in the Condominium shall or may be subdivided to permit "time sharing" or other devices to effect interval ownership. For purposes of this paragraph, "devices" to effect interval ownership shall include but not be limited to ownership arrangements, including uses of corporations, trusts, partnerships, limited liability companies or tenancies in common, in which four or more persons not members of a single household have acquired, by means other than will, descent, inheritance or operation of law, an ownership interest (directly or indirectly, equitable or legal) in the same condominium Unit and such owners have a formal or informal right-to-use agreement.

Section 6.3. Leasing Restrictions. No Unit shall be rented for transient or hotel purposes or in any event for an initial period of less than six (6) months and no portion of any Unit (other than the entire Unit) shall be leased for any period. No Unit Owner shall lease a Unit other than on written form of lease: (a) requiring the lessee to comply with the Condominium Documents; (b) providing that failure to comply therewith constitutes a default under the lease; and (c) providing that, in the event of such a default by the lessee in the performance of the lease, the Executive Board has the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder after thirty (30) days prior written notice to the Unit Owner. The Executive Board may prescribe by resolution a form of lease or specific provisions to be included in any lease of a Unit, and thereafter no Unit Owner shall execute a lease of any Unit which lease is not in compliance with such resolution. Each Unit Owner shall, promptly following the execution of such a lease of a Unit, forward a conformed copy thereof to the Executive Board.

Section 6.4. Animals and Pets. No animals other than common household pets shall be allowed within the Condominium. A Unit Owner who keeps a pet within the Condominium shall be liable to the Association for any damage to the common elements

caused by such pet. No dog shall be permitted on the common elements unless the dog is on a leash. No dog shall be left unattended on the common elements even if leashed or tied. All pets shall be properly controlled and restrained so as not to constitute annoyance to other residents. A Unit Owner shall be responsible for immediate clean up and removal of any excrement deposited anywhere on the common elements by any pet of the Unit Owner, or the Owner's relatives, guests or tenants.

Section 6.5. Rubbish, Trash and Garbage. Unit Owners shall cause all rubbish, trash and garbage to be regularly removed from the Units and shall not allow it to accumulate therein. There shall be no burning or disposal of trash within the common elements. No trash shall be stored or disposed of on the exterior of any Unit or on the common elements unless such area is designated for such purpose by the Executive Board. Trash containers for pick-up by the City of Portland or other trash collector shall be placed outside no earlier than 7:00 p.m. the night before the scheduled pick-up, unless otherwise provided under local ordinances, and must be brought back indoors by the end of the day of pick-up. Between pick-ups, all rubbish, trash and garbage shall be stored in covered receptacles made of plastic, metal or masonry materials. The Executive Board may designate specific containers for trash storage and, if it does so, Unit Owners must use the specified container.

Section 6.6. Antennas. No exterior television or radio antennas or satellite dish of any kind shall be placed, allowed or maintained upon any portion of the Condominium without the prior written consent of the Executive Board.

Section 6.7. Nuisance. It shall be the responsibility of each Unit Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition within the Unit Owner's Unit or its associated limited common elements. No substance, thing, or material may be kept in a manner that will cause any noise, light or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property.

Section 6.8. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken within any portion of the Condominium visible from the common elements. Each Unit Owner shall keep such Unit Owner's Unit in a good state of cleanliness and shall not sweep or throw or permit to be swept or thrown from any Unit, or from the doors or windows thereof, any dirt or other substance. No article shall be hung or shaken from the doors or windows of any Unit.

Section 6.9. Compliance with Condominium Documents. Each Unit Owner shall comply strictly with the Bylaws and with the Rules and Regulations adopted pursuant thereto, and with the covenants, conditions and restrictions set forth or incorporated by reference in this Declaration or in the deed to such Unit Owner's Unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief, or both, maintainable by the Manager or Executive Board on behalf of the Association or in a proper case by an aggrieved Unit Owner. In addition, the Manager or Executive Board may enforce such compliance by such other reasonable methods and procedures as may be adopted from time to time as set forth in the Rules and Regulations, provided, however, that no summary abatement or similar procedures may be utilized through non-judicial means to alter or abolish any items of construction. No Unit Owner shall do any work which may jeopardize the soundness or safety of the property, reduce the value thereof, increase the rate of insurance thereof, or impair any easement, rights, appurtenances or other hereditament consisting of common elements, without the unanimous consent of all the other Unit Owners.

The provisions of this Declaration and the Bylaws and the rights and obligations established hereby shall be deemed to be covenants, running with the land, so long as the Property remains subject to the provisions of the Condominium Act as amended, replaced or revised, and shall inure to the benefit of and be binding upon each and all of the Unit Owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees and mortgagees. By the recording of or by the acceptance of a deed or other document of conveyance, which deed or document transfers a Unit or any interest therein, the grantee, and the grantee's heirs, successors or assigns, shall be deemed to accept and agree to be bound by and subject to all of the provisions of the Condominium Act, this Declaration, the Bylaws and any Rules and Regulations of the Association.

ARTICLE 7

SPECIAL DECLARANT RIGHTS; NO OBLIGATIONS

Section 7.1. Special Declarant Rights. Special declarant rights are those rights reserved for the benefit of the Declarant as provided for in the Condominium Act and in this Declaration, and shall include without limitation the following rights: (a) to complete improvements indicated on the Plat and Plans filed with the Declaration; (b) to exercise development rights; (c) to maintain sales offices, management offices, customer service offices, signs advertising the Condominium and models; (d) to use easements through the common elements for the purpose of making improvements within the Condominium or any real estate which may be added to the Condominium; and (e) to appoint or remove any officer of the Association or any Member of the Executive Board or to approve any acts of the Association or the Executive Board during the period of Declarant control.

Except as otherwise provided herein, these rights may be exercised by the Declarant until such time as the Declarant has conveyed all Units which created hereunder to Unit Owners other than the Declarant.

Section 7.2. No Obligations. Nothing contained in the Condominium Documents shall be deemed to impose upon the Declarant or its successors or assigns any obligation of any nature to build, construct or provide any improvements except to the extent required by the Condominium Act.

ARTICLE 8

ASSOCIATION; EXECUTIVE BOARD

Section 8.1. The Association. The Association is the governing body of the Condominium and shall have all of the powers set forth in the Condominium Act, except as otherwise stated in this Declaration; and shall be subject to the provisions of the Condominium Act, this Declaration and the Bylaws, as amended from time to time. The members shall consist of all Unit Owners of the Condominium in accordance with the above provisions.

Section 8.2. Initial Executive Board. Subject to the provisions of the Condominium Act, this Declaration or the Bylaws, the Executive Board shall have the power to act on behalf of the Association. The initial Board shall consist of three (3) members (the "Members"). The Members of the initial Board shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The Declarant-appointed Board Members shall be replaced with Members elected by the Unit Owners, in accordance with the provisions of Section 8.3.

Section 8.3. Election by Unit Owners of Executive Board. No later than the earlier of (i) sixty (60) days after the conveyance of 75% of the Units created hereunder to Owners other than the Declarant or (ii) five (5) years following conveyance of the first Unit to an Owner other than the Declarant, the Unit Owners shall elect an Executive Board initially composed of three (3) persons each of whom shall be Unit Owners or spouses of Unit Owners or, in the case of a Unit Owner which is a corporation, partnership, limited liability company, trust or estate, a designated officer, partner, member or manager, trustee or beneficiary thereof or other designated agent. The Board Members so elected shall serve until the first regular election of the Board held at the first annual meeting of the Association held in accordance with the Bylaws.