

Amended Declaration of Restrictions & Supplemental
Declaration of Restrictions of the Declaration of
TANGLEWOOD TOWNHOUSE ASSOCIATION Restrictions

of Ditz-Crane
of Oregon Inc.

STATE OF OREGON)
County of Clackamas)
)ss

AFFIDAVIT

I, Ellen J. Pullen, Secretary to the Board of Directors of the Tanglewood Townhouse Association, being first duly sworn, depose and say:

That the following named individuals

SEE ATTACHED STATEMENT

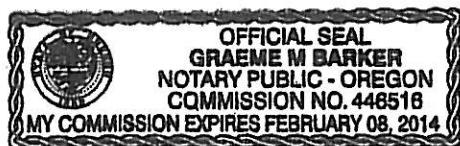
all qualified voters and members of the Tanglewood Townhouse Association, appeared before members of the Board of Directors and signed the attached Amendment of the Restrictions and Supplemental Declaration of Restrictions to the Declaration of Restrictions of Ditz-Crane of Oregon, Inc., dated the 30th day of June, 2010, declaring their affirmative vote.

Ellen J. Pullen
Ellen J. Pullen, Secretary to the Board

Signed before me this 6TH day of July, 2010.

Graeme M. Barker
Notary Public for Oregon
My Commission Expires FEB. 8, 2014

Please return to
Ellen J. Pullen
18 Britten Court
Lake Oswego, OR 97035



Clackamas County Official Records
Sherry Hall, County Clerk

2010-040034



\$87.00

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**AMENDED DECLARATION OF RESTRICTIONS AND SUPPLEMENTAL
DECLARATION OF RESTRICTIONS OF THE DECLARATION OF RESTRICTIONS
OF DITZ-CRANE OF OREGON, INC.**

This Amended Declaration, made this 30th day of June, 2010 by the homeowners of Tanglewood Townhouses as provided for in the Declarations recorded June 25, 1971, Fee Number 14564 of the film records of Clackamas County, Oregon, covering real property as shown on the plat which is attached hereto marked as "Exhibit A" and made a part hereof:

WITNESSETH:

WHEREAS, the undersigned are at least 75% of the owners of the lots within the boundaries of TANGLEWOOD TOWNHOUSES, a subdivision of Block 10 of "Mountain Park No. 1", located in section 5, T. 25, R1E, W.M. city of Lake Oswego, County of Clackamas, State of Oregon, as shown on the attached "Exhibit A"; and who were present in person or by proxy and voted at the meeting held May 8, 2010 and:

WHEREAS, the undersigned desire to amend and supplement said Declaration of Restriction of Ditz-Crane of Oregon, Inc., for the benefit of the property and its present and subsequent owners as hereinafter specified, so that the declarations of restrictions shall become and are hereby made part of all conveyances of property within said plat of Tanglewood Townhouses, and they shall apply thereto as fully and to the same effect as if set forth in full therein. Any paragraph references made herein refer to the paragraphs in the original declaration of restriction;

NOW, THEREFORE, the undersigned amend said restrictions as follows:

Articles IX and X are rescinded in their entirety and fully replaced with this language:

**Article IX
Insurance**

9.1 Responsibility to Obtain Insurance:

The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in the amounts hereinafter provided.

9.1.1 Association Responsibility:

A. The Board of Directors shall obtain and maintain at all times, and shall pay for out of the common funds, the following property insurance to the extent available at reasonable cost:

A policy or policies of property insurance including, but not limited to, fire, earthquake, vandalism, malicious mischief, extended coverage, and special form 3 coverage, for the full insurable replacement value, if available, of all units, to include fixtures, improvements, and alterations that are part of the building, including those appliances used for ventilating, cooking, dishwashing, laundry, and security, and for the

common property, and such other fire and casualty insurance as the Board of Directors shall determine, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, of each unit, if any.

- B. The entire cost of these policies shall be shown in the Annual Budget.
- C. If the common funds are insufficient, payments of premiums for such insurance shall be considered a purpose for which assessments may be levied by the Association pursuant to Article IV of the Declaration.

9.1.2 Owners Responsibility:

Each unit owner shall obtain and maintain at all times, and shall pay for at his or her own expense, the following insurance:

A policy or policies of property insurance that shall provide coverage for all damage to the building at least equal the Association's master policy deductible.

9.1.3 Deductible:

A. Damage Not Resulting from Negligence

1. Damage Affecting More Than One Unit

If a loss affects more than one unit, when there is no negligence by any party, the Owners which have sustained damage shall pay their proportionate share of the Association deductible. This share shall be a percentage determined by dividing the dollar amount of insured building damage to each affected unit by the total dollar amount of all insured building damage covered under the Association master policy.

2. Damage Affecting One Unit

If the damage is confined to a single unit, and there is no negligence on the part of the Association, the Owner shall be responsible for the entire deductible of the Association master policy.

B. Damage Resulting From Negligence

If a loss affects more than one unit, the common property or a combination thereof, to the extent the damage is the result of the negligence of a party, the deductible shall be allocated to the negligent party.

C. Owner Policy Deductible

Owners of damaged units shall be responsible for payment of their personal condominium unit owner policy deductible.

9.1.4 Duplicate Coverage

In the event of duplicate insurance coverage, the insurance policy obtained by the Owners shall be considered the primary coverage.

9.2 Quality of Insurance Policies:

All insurance policies under this Article that the Association is responsible to provide shall be written by a company licensed to do business in Oregon and holding a rating of A+, or AAA, or better, from Best's Insurance Reports

9.3 Authority to Adjust Losses:

Exclusive authority to adjust losses under policies obtained by the Association under this Article shall be vested in the Board of Directors or its authorized representative.

9.4 Contribution:

Section 9.4 of original Declaration is hereby removed and made null and void.

9.5 Owners Insurance:**9.5.1 Owners Coverage:**

Owner(s) of each unit shall be responsible for purchasing and maintaining at all times, at their own expense, an insurance policy or policies with building coverage at least equal the deductible amount under the Association master policy.

9.5.2 Tenants Personal Property Insurance:

Tenants shall be responsible for insuring, at their own expense, their own personal property for any loss or damage.

9.5.3 Notification of Deductible:

The Board of Directors shall notify all Owners of the amount of the deductible under the Association master policy. To the extent reasonably practicable, the Board of Directors shall give at least 30 days notice to the Owners of any increase in the deductible.

9.5.4 Owners Negligence:

Owners insurance shall also provide coverage for, but not limited to, the negligent acts of the Owner(s) and tenant(s) and their guests or other occupants of the unit(s) for damage to the common property and other units and the personal property of others located therein.

9.5.5 Limitation of Owners Coverage:

No Owner shall be entitled to exercise his or her right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on the Properties and the improvements thereon at any particular time.

9.5.6 Limitation of Association Responsibility:

The Association shall have no responsibility to procure or assist in procuring property loss insurance for any owner or tenant for:

- (a) Damage to a unit not covered by the Association's policy (because of the deductible amount or because the claim for loss or damage is one not normally covered by fire and property loss insurance policies with extended coverage endorsements); or
- (b) For any damage or loss to the Owner's or tenant's personal property.

9.6 Notification as to Improvements:

Section 9.6 of original Declaration is hereby removed and made null and void.

9.7 Duty to File Copies of Individual Policies:

Section 9.7 of original Declaration is hereby removed and made null and void.

9.8 Provisions of Insurance Policies:

The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

9.8.1: Waiver of Subrogation:

A waiver of subrogation by the insurer as to any claims against the Board of Directors, manager, the owners and their respective servants, agents, and guests.

9.8.2 No Cancellation Without Written Notice:

The Association master policy or policies may not be cancelled, invalidated, or suspended on account of the conduct of one or more Owners, or on account of the conduct of any officer of the Association, without prior written demand that the Association cure the defect.

9.8.3 "No Other Insurance" Exclusion:

A provision that any "no other insurance" clause in the master policy exclude individual owners' policies and not otherwise prevent such individual policies from providing coverage for damage to units or common property.

9.8.4 Section 9.8.4 of original Declaration is hereby removed and made null and void.

9.9 Annual Review of Insurance:

At least annually, the Board of Directors shall review all insurance carried by the Association, which review shall include a consultation with a representative of the insurance carrier writing the master policy.

9.10 Liability:

9.10.1 Limitation of Association Liability:

The Association shall not be responsible for any loss or damage to personal property of any owner, whether stored on the common property or in the owner's unit nor shall the Association maintain any insurance coverage for such loss.

9.10.2 Liability Insurance for Association:

The Board of Directors shall obtain and maintain at all times, and shall pay for out of the common funds, the following liability insurance to the extent available at reasonable cost:

A policy or policies insuring the Association, its Board of Directors, the owners individually, and the manager against any liability to the public or the owners and their invitees or tenants, incident to the ownership, supervision, control or use of the project. Limits of liability under such insurance shall not be less than

\$1,000,000 per occurrence for bodily injuries and property damage liability. Such limit and coverage shall be reviewed at least annually by the Board of Directors which may increase the limit of and/or coverage, in its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of the named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

9.11 Deductible for Association Master Policy or Policies

9.11.1 Deductible Amount:

The Board of Directors shall determine the amount of the deductible for property loss insurance policies as well as the other insurance policies required to be procured by the

Association under this Article. In determining the deductible under the policies, the Board, among other factors, shall take into consideration the availability, cost, and loss experience of the Association. In this regard, as in other Board responsibilities, the Board members shall exercise their reasonable business judgment.

9.11.2 Deductible Source:

All deductibles paid against the Association master policy shall be funded by proceeds from Owners' property insurance (section 9.1.3) or assessment of Owners (section 10.1.1.B), except:

9.11.2.a: in the event total proceeds from Owners' proportional contributions are less than the Association's deductible, the Association shall pay any remaining deductible amount after proportional contribution from the damaged units.

9.11.2.b: in the event there are no units with building damage covered by Owners' policies, for example all damage is to the Common Property only, the Association shall pay the entire deductible.

9.12 Revision of Amendment to Declaration:

The Amended Declaration recorded September 20, 1995, identified as Clackamas County, Oregon item 95-057565, is hereby rescinded in its entirety and made null and void. The entire wording of Article IX, particularly section 9.1.1, of the Declaration is hereby made to be solely as stated herein, in this Amended Declaration.

Article X
Damage and Destruction

10.1 Application of Insurance Proceeds:

10.1.1 Contribution from Owners Policies:

A. If the Association is required or elects to reconstruct any of the common property or units, the Owners of the units which have been damaged or destroyed shall contribute to the Association all amounts received by them as building coverage from their personal loss insurance policies to help pay for the repairs, pursuant to sections 9.1.3 and 9.5.1 hereof.

B. Should an Owner not have personal insurance coverage for building damage at least equal the Associations' master policy deductible, and that Owner's unit is included in the insured damage, the Association shall assess that Owner the difference between their personal insurance contribution to repair funds and their portion of the Association's deductible, pursuant to sections 9.1.3 and 9.5.1 hereof.

C. Amounts received by Owners as proceeds from personal property insurance coverage for personal property damage shall not be contributed to the Association for repairs.

10.1.2 Reconstruction:

Reconstruction of the damaged or destroyed buildings means restoring the buildings to substantially the same condition in which they existed prior to such loss, with each building being located within the boundaries of the Lot on which it was located prior to the loss. Such reconstruction shall be accomplished by or at the direction and under the supervision of the Board of Directors of the Association or its representative.

10.2 Procedure if Insurance Proceeds Insufficient for Reconstruction:**10.2.1 Prompt Reconstruction:**

If the combined insurance proceeds, from Association and owner(s) policies, are insufficient to reconstruct the damaged or destroyed building(s) or common property, nevertheless such building and common property shall be promptly reconstructed by or under the direction of the Board of Directors or its representative.

10.2.2 Additional Funds from Assessment:

The Board of Directors shall use all combined insurance proceeds, from Association and owner(s) policies, as per section 10.1.1 hereof, first. The balance of the cost of reconstruction shall be financed by means of a special assessment for capital improvements in accordance with the provisions of Article IV of the Declaration.

10.2.3 Uniform Assessment:

In making any assessments in accordance with section 10.2.2 hereof, the Board of Directors shall include, with respect to the Uniform Rate of Assessment requirement of Article IV of the Declaration, as contribution to each Owner's actual assessment, any contributions from that Owner's personal policies of property insurance which have been made available to the Association for reconstruction and repair.

10.3 Damage Not Covered:

If damage or destruction to a building, or buildings, or common property is caused by casualty not within the coverage of the insurance policy or policies required hereunder to be maintained by the Association, the obligation to repair such damages shall be in accordance with the provisions of Article VIII of the Declaration.

IN WITNESS THEREOF, the undersigned, being at least 75% of the owners of the lots of TANGLEWOOD TOWNHOUSES, have hereunto set hands and seal on the 30th day of June, 2010

Signature	Address	Print Name
<u>Joanne undi</u> Phyllis M. Knipe	4 Britten Court	JOANNE UNDI Phyllis M. Knipe
<u>Robert Perrin</u>	5 Britten Court	
<u>Robert Perrin</u>	6 Britten Court	ROBERT PERRIN
<u>Pamela Berg</u> Linda Cook	7 Britten Court	PAMELA BERG Linda Cook
<u>Betty J. Harless</u>	8 Britten Court	
<u>John J. Mahedy</u>	9 Britten Court	PAMELA BERG
<u>Ruth Dunlap</u> R. Kauf	10 Britten Court	BETTY J. HARLESS
<u>Mark Nielsen</u>	11 Britten Court	
<u>John W. Pollen</u>	12 Britten Court	John J. Mahedy
<u>Nancy H. Hunter</u>	13 Britten Court	
<u>Tom Wilser</u>	14 Britten Court	
<u>D. A. Scheel</u>	15 Britten Court	Ronald Kauffmann
<u>Jerry Ayezs</u>	16 Britten Court	Mark Nielsen
	17 Britten Court	
	18 Britten Court	John W. Pollen
	19 Bloch Terrace	NANCY H. HUNTER
	21 Britten Court	
	1 Bloch Terrace	TOM Wilser
	3 Bloch Terrace	D. A. SCHEEL
	4 Bloch Terrace	
	5 Bloch Terrace	Jerry Ayezs

Signature

Address

Print Name

Karen Gilmore
Miriam

6 Bloch Terrace

Karen Gilmore

7 Bloch Terrace

Gerry Swanson

Tom Willis

9 Bloch Terrace

Tom Willis

11 Bloch Terrace

Linnette Talney

13 Bloch Terrace

Linnette Talney

Lori S. Dunlop

15 Bloch Terrace

Lori S. Dunlop

Deagued Zahler

17 Bloch Terrace

Margaret Zahler

Jacqueline Andrews

19 Bloch Terrace

Jacqueline Andrews

Donald E. Peterson

21 Bloch Terrace

DONALD E. PETERSON

23 Bloch Terrace

Allen C. Ryman

25 Bloch Terrace

Allen C. Ryman

Allen C. Ryman

27 Bloch Terrace

Allen C. Ryman

29 Bloch Terrace

Gail Longtin

31 Bloch Terrace

Gail Longtin

Malcolm Shaw

33 Bloch Terrace

Malcolm Shaw

Steve Stevenson

35 Bloch Terrace

Steve Stevenson

Kerry Madson

37 Bloch Terrace

Kerry Madson