BYLAWS OF WOODTIQUE HEIGHTS HOMEOWNERS ASSOCIATION

ARTICLE I GENERAL

<u>Section 1.</u> <u>Application</u>. These Bylaws govern the administration of the property known as Woodtique Heights, located in the City of Eugene, County of Lane, State of Oregon, and more particularly described in the declaration dated 11/30, 1978 and recorded in Deed Records of Lane County in file 73, Slides 167-170 (hereinafter called "declaration").

<u>Section 2.</u> <u>Definitions</u>. The terms used in these Bylaws shall have the meaning given to them in the Declaration, unless the context in which they are used in the Bylaws requires otherwise.

<u>Section 3.</u> <u>Application</u>. All present or future owners, tenants, or their employees, or any other person that might use the property or facilities thereon in any manner, are subject to the regulations set forth in these Bylaws, the declaration, and any management agreement entered into pursuant to the terms hereof. The mere acquisition or rental of any of the units of the property or the mere act of occupancy of any said units will signify that these Bylaws, the provisions of the management agreement and the declaration are accepted, ratified and will be complied with.

ARTICLE II ASSOCIATION, MEMBERSHIP AND VOTING

<u>Section 1.</u> <u>Membership in the Association</u>. An owner of a unit shall automatically, upon becoming the owner of a unit, be a member of the association, and shall remain a member of said association until such time as his ownership ceases for any reason. Unit ownership shall be determined, for all purposes of the declaration and the administration of the property, from the record of unit ownership maintained by the association. The record shall be established by the unit owner, filing with the association a copy of the deed to his unit to which shall be affixed the certificate of the recording officer of the County of Lane, Oregon, showing the date and place of recording of such deed. No person shall be recognized as a unit owner unless a copy of the deed has been filed with the association, as provided above, showing him to be the current owner of a unit. Notwithstanding the foregoing, the declarant or the association shall be the owner of all units for which no deed has been filed with the association.

<u>Section 2.</u> <u>Voting</u>. Each single family unit owner shall have one vote for each unit owned for election of the directors of the association and on all matters coming before the association; the owner of the duplex unit shall have two votes on account of the ownership of the duplex unit.

<u>Section 3.</u> <u>Designation of Voting Owners</u>. There shall be one "voting owner" of each unit. The voting owner shall be designated by the record owner or owners of each unit by written notice to the association and need not be a unit owner. The designation shall be in the form of a proxy revocable at any time by written notice to the association signed by the record owner or owners of any unit. Such powers of designation and revocation may be exercised by the guardian of a record owner's estate or by his conservator, or in the case of a minor having no guardian, by the parent entitled to his custody, or during the administration of a record owner's estate, by his executor or administrator.

<u>Section 4</u>. <u>Place of Meetings</u>. Meetings of the unit owners shall be held in the recreation building on the property or such other suitable place convenient to the owners as may be designated by the Board of Directors.

<u>Section 5.</u> <u>Organizational Meeting</u>. The unit owners shall meet, on notice by the initial Chairman of the association designating the date and time thereof, within ninety (90) days of the date of filing of the declaration, at which meeting the initial Board of Directors shall resign and the unit owners shall elect a new Board of Directors and

conduct such other business as is properly brought before such meeting.

<u>Section 6.</u> <u>Annual Meeting</u>. The annual meeting of the unit owners shall be the first Monday in June of each year at 7:30 o'clock p.m. for the purpose of electing the directors whose terms expire on the date of such meeting and conducting such other business as may be properly brought before such meeting.

<u>Section 7.</u> <u>Special Meetings</u>. Special meetings of the unit owners shall be called by the Chairman, at the request of any two (2) directors or on demand in writing of 20% of the unit owners entitled to vote at meetings of the unit owners.

<u>Section 8.</u> <u>Notice of Meetings</u>. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of unit owners stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at least ten (10) days but not more than fifty (50) days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served.

<u>Section 9.</u> <u>Adjourned Meetings</u>. If any meeting of unit owners cannot be organized because a quorum is not in attendance, the unit owners who are present either in person or by proxy, may adjourn the meeting from time to time without notice until a quorum shall attend. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The presence of a majority of the unit owners, in person or in proxy, shall constitute a quorum for the transaction of business. At any adjourned meeting called because a quorum is not present at the initial meeting, a quorum shall constitute one-fourth (1/4) of the record owners, in person or proxy.

ARTICLE III BOARD OF DIRECTORS

<u>Section 1. Initial Board of Directors</u>. The initial Board of Directors shall consist of three (3) members who shall be:

Robin Jeffs	285 Hamilton, Palo Alto, CA 94301
David Waggott	285 Hamilton, Palo Alto, CA 94301
Michael Safley	941 Pearl Street, Eugene, OR 97401

who shall serve until the organizational meeting of unit owners and until their successors are elected and qualified.

Section 2. Election of Directors and Term of Office. At the organizational meeting of unit owners, the unit owners shall elect nine (9) directors, three (3) of whom shall serve until the third annual meeting following their election, and three (3) of whom shall serve until the second annual meeting following their election, and three (3) of whom shall serve until the annual meeting next following their election. At the expiration of the term of each director at the respective annual meetings, the unit owners shall elect a successor (which may be the director whose term is expiring) to serve until the third annual meeting following his election or until his successor is elected and qualified. Directors must be elected from the unit owners. The number of directors may be reduced by a two-thirds (2/3) majority vote of the members of the Association.

<u>Section 3</u>. <u>Powers and Duties</u>. The Board of Directors shall govern the affairs of the association and shall have such powers and duties as are necessary for governing such affairs, including without limitation, the following powers and duties:

(a) The Board shall be responsible for the maintenance, upkeep and repair of the common elements. In performing the responsibility, the Board may employ personnel to perform such services, on such terms and for such compensation as it may determine.

(b) The Board may employ for the association a management agent, at such compensation as the Board may determine, to perform such duties and services as the Board shall deem appropriate including without limitation, the duties of the Board set forth in these Bylaws.

(c) The Board shall determine and collect from each unit owner the assessments provided herein and may enforce any and all rights the association may have for such collection, including without limitation, any lien on the unit owners' unit for common expenses.

(d) The Board may, from time to time, adopt and/or amend rules and regulations governing the details of operation and use of the common elements.

(e) The Board shall be authorized to grant Public Utility Easements over and across common property.

(f) The Board shall have the authority to fix the compensation of the directors and of the officers. The compensation of any director or officer shall not exceed \$600.00 per year without approval of a majority of the membership.

<u>Section 4</u>. <u>Vacancies</u>. Vacancies in the Board of Directors caused by any reason, other than the removal of a director by a vote of the unit owners, shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each director so elected shall serve for the remainder of the term vacated.

<u>Section 5</u>. <u>Removal of Directors</u>. At any annual or special meeting of the unit owners duly called, at which a quorum is present, any one or more of the directors may be removed with or without cause by a majority vote of the unit owners present at such meeting. A successor may then, or at any other annual or special meeting of unit owners, be elected to fill the vacancy thus created for the remainder of the term vacated.

<u>Section 6</u>. <u>Organizational Meeting</u>. Immediately after the organizational meeting of the unit owners, the newly elected directors shall meet for the purpose of election of officers and the transaction of such other business as may be appropriate. No notice of such meeting shall be required.

<u>Section 7</u>. <u>Regular Meetings</u>. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors, but at least four (4) such meetings shall be held during each calendar year. Notice of regular meetings of the Board of Directors shall be given by the Chairman or Secretary to each director, either personally or by mail, telephone or telegraph, at least three (3) days, but not more than thirty (30) days prior to such meeting, which notice shall state the time, place and purpose of the meeting.

<u>Section 8</u>. <u>Special Meeting</u>. Special meetings of the Board of Directors may be called by the Chairman or by any two (2) directors upon three (3) days notice given by the said Chairman or the two (2) directors to all directors either personally or by mail, telephone or telegraph which notice shall state the time, place and purpose of the meeting.

Section 9. Board of Directors Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors in attendance at such meeting shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time without notice until a quorum shall attend. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

ARTICLE IV MANAGING AGENT

The Board of Directors shall have the right to engage the services of a Manager or Managing Agent and to fix the compensation therefor.

ARTICLE V OFFICERS

Section 1. Designation. The principal officers of the association shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Board of Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. Any person may hold more than one office, except that one person may not simultaneously hold the office of Chairman and Secretary.

<u>Section 2</u>. <u>Election of Officers</u>. At the organizational meeting of the Board of Directors, officers of the association shall be elected. Thereafter, the officers of the association shall be elected annually by the Board of Directors at the first regular meeting of the Board following the annual meeting of unit owners. The officers shall hold office at the discretion of the Board.

<u>Section 3</u>. <u>Chairman</u>. The Chairman shall be the chief executive officer of the association. He shall preside at all meetings of the association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of Chairman of an association, including but not limited to the power to appoint committees from among the unit owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the association.

<u>Section 4</u>. <u>Vice Chairman</u>. The Vice Chairman shall take the place of the Chairman and perform his duties whenever the Chairman shall be absent or unable to act. If neither the Chairman nor the Vice Chairman is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice Chairman shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

<u>Section 5</u>. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

<u>Section 6</u>. <u>Treasurer</u>. The Treasurer shall have responsibility for association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the association in such depositories as may from time to time be designated by the Board of Directors.

<u>ARTICLE VI</u> OBLIGATIONS OF THE OWNERS

<u>Section 1</u>. <u>Assessments</u>. All owners are obligated to pay all assessments imposed by the Board of Directors on behalf of the associa-

tion to meet common expenses of the property. Such assessments shall be made by the Board of Directors in accordance with the terms of the declaration. The common expense assessments shall be made pro rata except that two (2) bedroom units shall pay 12.5% more than one (1) bedroom units and three (3) bedroom units shall pay 25% more than one (1) bedroom units. The common expense assessments shall be made pro rata except that two (2) bedroom units shall pay 12.5 percent more than one (1) bedroom units, and three (3) bedroom units shall pay 25 percent more than one (1) bedroom units; provided, however, that the assessment for insurance premiums shall be apportioned between the unit owners pro rata in a ratio equal to the ratio between the assessed value of each specific unit to the total assessed vale of all units.

Section 2. Maintenance and Repair by Owners:

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the property in its entirety or in a part belonging to other owners, and each owner is responsible for the damages and liabilities for his failure to perform hereunder.

(b) All the repairs of internal installations of the unit, including water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit, shall be at the owner's expense.

(c) An owner shall reimburse the association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault, except to the extent that such expenditure is covered by insurance with a waiver of subrogation in favor of such owner.

<u>Section 3</u>. <u>Use of Unit Structural Changes</u>. A unit owner shall not make structural modifications or alterations of his unit or installation located therein without prior written approval of the Board of Directors.

Section 4. Right of Entry.

(a) A unit owner shall grant the right of entry to a management agent or to any other person authorized by the Board of Directors or the association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) A unit owner shall permit other unit owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the unit owner. In case of an emergency, such right of entry shall be immediate.

Section 5. Rules of Conduct.

(a) Unit owners shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Those keeping domestic animals will abide by all applicable health and sanitary regulations.

(b) It is prohibited to hang garments, rugs, laundry, etc. from the windows or from any of the facades of the buildings or patio or deck fences or walls or other external structures.

(c) It is prohibited to dust rugs, etc, from the windows, or to clean rugs, etc, by beating on the exterior part of any structure.

(d) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

(e) No unit owner, resident, or lessee shall install wiring for electrical or telephone installation, television antenna, grills, machines or air conditioning units, etc., on the exterior of the property or that protrude through the walls or the roof of the property except as authorized in writing by the Board of Directors.

ARTICLE VII COMMON EXPENSES

Section 1. Manner of Collection. The Board of Directors shall submit to each unit owner, at least quarterly, a current statement of all assessments for common expenses for which such owners is liable. Each owner shall have ten (10) days in which to pay such statement, and if it is not paid within that time, the Board of Directors shall take whatever action it deems necessary, consistent with the declaration and Bylaws.

Section 2. Authorizaton of Common Expenses and Approval of Vouchers

(a) Vouchers covering public utility expenses and other similar recurring common expenses may be paid upon the approval of the Chairman or the Treasurer.

(b) Non-recurring items of common expense totaling less than Five Hundred Dollars (\$500.00) may be authorized by any officer. Vouchers covering such items may be paid upon the approval of the Chairman or the Treasurer.

(c) Except as provided in subsection (a), items of common expense totaling Five Hundred Dollars (\$500.00) or more, but less than Five Thousand Dollars (\$5,000.00) may not be authorized or incurred, and the vouchers covering such items may not be paid, except by the affirmative vote of a majority of the directors.

(d) Except as provided in subsection (a), items of common expense totaling Five Thousand Dollars (\$5,000.000) or more, may not be authorized or incurred, except by the affirmative vote of a majority of the owners at a meeting especially called for such purpose pursuant to notice given in accordance with the provisions of Article II. No vouchers covering such items shall be paid except by the affirmative vote of a majority of the directors.

(e) Any item of common expense totaling not more than Fifteen Thousand Dollars (\$15,000.00) which is in the nature of an emergency expense, such as repair or replacement of destroyed common elements or the satisfaction of a lien on the property which would cause substantial inconvenience to the unit owners, or the payment of insurance premiums, may be authorized or incurred, and the vouchers covering such items paid, by the affirmative vote of a majority of the Board of Directors without regard to the limitations of subsections (a), (b), (c), and (d).

> ARTICLE VIII INSURANCE

<u>Section 1</u>. <u>Insurance</u>. The association shall obtain and maintain at all times:

A. A policy(ies) of insurance covering loss or damage from fire, with extended coverage endorsement, and such other coverages, such as earthquake, which the association may deem desirable, for not less than ninety per cent (90%) of the full insurable replacement value of the units and common elements, which said policy(ies) shall name the declarant, the association and the unit owners as insureds, as their interest may appear, and shall provide for a separate loss payable endorsement in favor of the mortgagee(ees) of each unit, if any. The policy(ies) shall include all property of an insurable nature, both real and personal, now existing or hereafter acquired specifically including, but not limited to, stoves, refrigerators, laundering equipment, floor, wall and ceiling coverings, but in no event shall the coverage be applicable to personal property of the unit owners except as aforementioned. unless said personal property is permanently attached to the building structure, and in no event shall the policy(ies) have a deductible clause in excess of Five Hundred Dollars (\$500.00) per unit:

B. A policy(ies) insuring the declarant, the association, the Board of Directors, the unit owners, and the management agent against liability to the public or to the owners (of units and of common elements, and their invitees or tenants), incident to the ownership and/or use of the property. There shall be excluded from such policy(ies) coverage of a unit owner (other than as a member of the association or board of directors) for liability arising out of acts or omission of such unit owner and liability incident to the ownership and/or use of the part of the property as to which such unit owner has the exclusive use or occupancy. Limits of liability under such insurance shall not be less than Five Hundred Thousand Dollars (\$500,000.00) on a combined single limit basis (such limit and coverage to be reviewed at least annually by the association and increased in its discretion). Said policy(ies) shall be issued on a comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy(ies) shall not be prejudiced as respects his, her or their action against another named insured; and

C. Workmen's compensation insurance to the extent necessary to comply with any applicable laws.

Insurance obtained by the association shall be governed by the following provisions:

 a. All losses under policies hereafter in force regarding the property shall be settled exclusively with the board of directors
Page 11 – Bylaws or its authorized representative; provided, however, that where a first mortgagee has been designated as a loss payee by a unit owner, such mortgagee shall be entitled to settle losses as to the mortgaged unit.

b. Each unit owner shall be required to notify the board of directors of all improvements made by the owner to his unit, the value of which is in excess of Five Hundred Dollars (\$500.00).

c. Each unit owner shall be responsible for obtaining, at his own expense, insurance covering his property not insured under paragraph (A) above and against his liability not covered under paragraph (B) above, unless the association agrees otherwise.

The proceeds from any casualty policy held by the association payable with respect to any loss or damage to the common elements, shall be held in trust by the association for the benefit of all insured as their interest may appear.

Insurance premiums for insurance coverage obtained by the association in accordance with this article shall be a common expense to be paid by monthly assessments levied by the association and such payments shall be held in a separate escrow account of the association and used solely for the payment of the insurance premiums as such premiums become due. The assessment for insurance premiums shall be apportioned between the unit owners pro rata in a ratio equal to the ratio between the assessed value of each specific unit to the total assessed value of all units.

ARTICLE IX AMENDMENTS TO BYLAWS

These Bylaws may be amended by an affirmative vote of at least 75% of the unit owners in duly constituted meeting called for such purpose. The amended bylaws shall be effective when certified by the Chairman and Secretary and recorded in the official records of Lane County.

<u>ARTICLE X</u>

MORTGAGEES

Section 1. Notice to Association. A unit owner who mortgages his

unit shall notify the association through the Chairman of the name and address of his mortgagee; and the association shall maintain such information in its records.

ARTICLE XI WAIVER OF NOTICE

Whenever any notice is required to be given to a unit owner or a director, a waiver therof in writing signed by the person entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice to that person.

ARTICLE XII EXECUTION OF DOCUMENTS

Subject to the provisions of Article VII hereinabove, all instruments, checks, notes and other evidence of indebtedness of the corporation shall be signed in such manner as the Board of Directors may from time to time prescribe.

<u>ARTICLE XIII</u> MAINTENANCE PERSONNEL

The Board of Directors shall have full authority to employ and fix compensation of personnel necessary for the maintenance, upkeep and repair of the common elements.

ARTICLE XIV

ADMINISTRATIVE RULES AND REGULATIONS

The administrative rules and regulations governing the details of the operation and use of the common elements shall be fixed by the Board of Directors by majority vote from time to time. Restrictions on and requirements respecting the use and maintenance of the units and the use of the common elements, designed to prevent unreasonable interference with the use of the respective units and the common elements by the unit owners, shall be fixed by the Board of Directors by a majority vote.

DATED at Eugene, Oregon, this 20th day of November, 1978.

WOODTIQUE HEIGHTS HOMEOWNERS ASSOCIATION

FIRST AMENDMENTS TO THE BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF WOODTIQUE HEIGHTS CONDOMINIUMS

These First Amendments to the Bylaws of Association of Unit Owners of the Woodtique Heights Condominium were approved on the 20th day of November 2001 by the Association of Unit Owners of the Woodtique Heights Condominiums

RECITALS

- <u>A</u>. Association is the Association of Unit Owners of the Woodtique Heights Condominiums formed pursuant to the Declaration of Condominium Ownership for the Woodtique Heights Condominiums recorded November 30, 1978 as document number 7878939 in Lane County Oregon Records.
- <u>B.</u> Pursuant to Article IX of the Bylaws and the approval of at least seventy-five percent (75%) of the voting members, the Association herby amends the following Articles, Sections and Subsections in the manner set forth below.

NOW THEREFORE, the Article, Sections and Subsections, set forth below are amended in the following manner:

[ARTICLE I, GENERAL, remains unchanged]

ARTICLE II, ASSOCIATION MEMBERSHIP AND VOTING

Section 1, Membership in the Association Amended to Omit: Reference to requirement that the unit owner file a copy of their deed to with the Association Amended to Include: "Each unit owner is required to notify board upon sale or purchase of unit."

<u>Section 2. Voting</u> Amended to Omit: References to duplex

[Sections 3 through 9 remain unchanged]

ARTICLE III BOARD OF DIRECTORS

[Section 1, remains unchanged]

Page 2, Woodtique Heights Condominium By-Law Amendments

Section 2. Election of Directors and Term of Office Amended to Omit: Reference to the organization meeting Amended to Include: "No more than nine (9), no less than (3) Directors." "One third (1/3)": of whom shall serve...., "the remainder" of whom shall serve..... Amended to Omit: Last sentence referring to reduction in number of Directors.

[Sections 3 through 6 remain unchanged]

<u>Section 7 Regular Meetings</u> Amended to Include: "fax or e-mail" (to provide notice of regular meetings)

<u>Section 8, Special Meetings.</u> Amended to Include: "fax or e-mail" (to provide notice of special meetings)

[Section 9 remains unchanged]

[ARTICLE IV, Managing Agent, remains unchanged]

ARTICLE V. OFFICERS

[Sections 1 through 5 remain unchanged]

Section 6. Treasurer. Amended to include at the end of the final sentence in this section: "unless those duties are assigned to a managing agent. In such case the duties of Treasurer would be to oversee the managing agent."

ARTICLE VI. OBLIGATIONS OF THE OWNERS

<u>Section 1. Assessments.</u> Amended to Omit: Wording that begins with: .. provided, however that the assessment for insurance premiums be apportioned on pro rata ratio....

Section 2. Maintenance and Repair By Owners

[subsections (a), (b) and (c) of Section 2 remain unchanged]

Page 3, Woodtique Heights Condominium By-Law Amendments

Section 2 Amended to Include:

"(d) Owners will be responsible for installing and maintaining a working smoke detector."

"(e) Owners must promptly inform the Association of any damage to their unit from external sources (i.e., water damage from rain). Damages (i.e. dry rot), resulting from lack of notification shall be at the owners expense."

[Section 3, Use of Unit, Structural Changes, remains unchanged]

<u>Section 4. Rights of Entry</u> Subsection (a) Amended to Include right of entry to "a tenant's" unit

[subsection (b) of Section 4., remains unchanged]

Section 5. Rules of Conduct

[subsections (a) through (d) of Section 5, remain unchanged]

Subsection (e) Amended to Include: installation of "Satellite dishes and/or T.V. cables" on exterior of buildings

ARTICLE VII. COMMON EXPENSES

<u>Section 1. Manner of Collection</u> Amended to Replace all wording in section with:

"The Board of Directors shall take whatever action it deems necessary, consistent with the Declaration and Bylaws."

Section 2. Authorization of Common Expenses and Approval of Vouchers.

[Subsection (a) remains unchanged]

Section (b) Amended to Change: Dollar amount of \$500 to one thousand (\$1,000) for non-recurring items of common expense.

Section (c) Amended to Change: Dollar amount of \$500 to one thousand (\$1,000) but less than ten thousand (\$10,000) Page 4, Woodtique Heights Condominium By-law Amendments

Section (d) Amended to Change: Dollar amount from \$5,000 to ten thousand (\$10,000)

[Subsection (e) of section 2, remains unchanged]

ARTICLE VIII. INSURANCE

Section 1. Insurance. The Association shall obtain and maintain at all times:

Subsection A Amended to Include: "from wall studs outward"

Amended to Omit: Delcarant sentence that refers to what the policy shall include reference to a maximum of \$500 Dollars deductible

With the subsections that are included and omitted, Subsection A is Amended to read:

"A policy of insurance covering loss or damage from fire, with extended coverage endorsements, and such other coverage such as earthquake, which the Association may deem desirable, for not less than ninety percent (90%) of the full insurable replacement value of the units from the wall studs outward and the common elements which said policies shall name, the association and the unit owners as insured, as their interest may appear and shall provide for separate loss payable endorsement in favor of the mortgage of each unit if any, but in no event shall the coverage be applicable to personal property of the unit owners.

Subsection B Amended to Omit: Reference to Declarant and Management Agent

Subsection B. Amended to Include: "Limits of liability under such insurance will be in an amount determined by the Board of Directors."

[Subsection C, remains unchanged]

Page 5, Woodtique Heights Condominium By-law Amendments

Insurance obtained by the association shall be governed by the following provisions:

[(a) and (b) in this section remain unchanged]

(c) Amended to Include: in sentence referring to owner insurance obligation "personal property, physical property and fixtures including, but not limited to, walls, cabinets and appliances. The owner will need to provide proof of Insurance to the Association".

Final paragraph of (c) Amended to Omit: References to insurance payments held in a separate escrow account. References to insurance premium apportioned on pro rata ratio basis

[ARTICLES IX remain unchanged]

ARTICLE X, MORTGAGEES

<u>Section 1. Notice to Association.</u> Amended to Omit: requirement that unit owners notify Association of mortgages on units.

[ARTICLES XI through XIV remain unchanged]

AMENDMENTS APPROVED, Eugene, Oregon, November 20, 2001 WOODTIQUE HEIGHTS HOMEOWNERS ASSOCIATION