

AMENDMENT TO BYLAWS

98 JUL 21 P2:24
Upon the meeting of the Homeowner's Association and the Board of Directors of Falcon Heights Condominium Association, Inc., a meeting was called to order at 7:00 p.m. on Monday, May 11, 1998 at the office of Premier Real Estate. Present were the Declarant, SoCo Development, Inc., President LouEllyn Kelly and members of the Board of Directors of Falcon Heights Condominium Association, Inc., Mel Stewart, Lisa Stewart, Rob Bogatay and LouEllyn Kelly.

The meeting was called to order at 7:00 p.m. by acting President and Declarant Ms. LouEllyn Kelly.

Notice of the meeting pursuant to Article 2 of the Bylaws was duly acknowledged and, pursuant to Article 9 of the Bylaws, a majority of the Board of Directors proposed an amendment, which had been reduced to writing in regards to the insurance upon the condominium units.

Now, therefore, after a motion duly made, seconded and carried, the following amendment to the Bylaws of Falcon Heights Condominium Association, Inc. was unanimously approved by the homeowners and the Board of Directors and the Declarant, representing 100% of the voting rights of the Association.

Article 8.1 shall be deleted in total and replaced with the following:

8.1 Types of Insurance. The unit owners shall obtain and maintain at all times, and shall pay for, the following insurance:

8.1.1 Property Damage Insurance.

(a) Each individual homeowner shall maintain a policy or policies of insurance covering loss or damage from fire, with standard extended coverage and "all risk" endorsements, and such other coverage as the primary mortgage holders may deem desirable. The policy shall name the homeowner, the mortgagee and the Association as primary insureds.

(b) The amount of the coverage shall be for not less than one hundred percent (100%) of the current replacement cost of the units (including shingles, fencing, siding, foundation and all personal contents and utilities) subject to a maximum deductible of the lesser of \$10,000 or one percent (1%) of the policy amount.

(c) The policy or policies shall include all fixtures and building service equipment, including any aspects which are a part of the common elements, and all personal property and supplies belonging to the individual homeowner and the Association, if any, together with all fixtures, improvements and alterations comprising a part of each unit and refrigerators, air conditioners, cooking ranges, dishwashers and clothes washers and dryers contained within units and owned by the unit owners.

(d) Such policy or policies shall name the Association and the mortgage holder as primary insureds, along with the homeowner, and shall provide for loss payable in favor of the mortgage holder, the Association and individual homeowner, which entity shall act as a trustee for each unit owner and each such unit owner's mortgage entity, as their interests may appear. The policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution) which is commonly accepted by institutional mortgage investors in Oregon.

(e) This provision evidences the intent of the Association to be named as a primary insured, along with the mortgage holder and homeowner. It is the intent of this Bylaw provision that each individual homeowner shall purchase and maintain their own individual policy of insurance upon their unit, all common elements and limited common elements associated with their unit and all personal property located inside the unit. The cost of said insurance shall be borne by each individual homeowner. It is the further intent that the policy of insurance shall insure any and all structures, equipment, improvements and property owned by the Association which are made a part of each individual unit.

8.1.2 Liability Insurance.

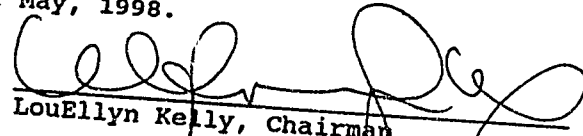
(a) For the benefit of the Association and each unit owner, the Board of Directors shall obtain and maintain at all times, and shall pay for out of the common expense funds, insurance contained in this Section 8.1.2, through 8.1.5.

Articles 8.1.2, 8.1.3, 8.1.4, and 8.1.5 shall be renumbered respectively to 8.1.3, 8.1.4, 8.1.5, and 8.1.6.

There shall be no further modifications to Article 8 of the Bylaws.

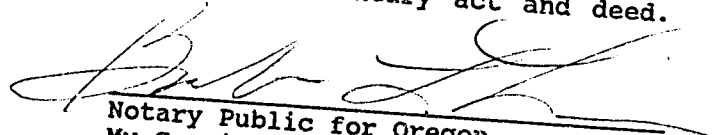
This Amendment to the Bylaws of Falcon Heights Condominium Association, Inc. shall be recorded pursuant to ORS 100.410 after approval by the Real Estate Commissioner in accordance with ORS 100.410(5).

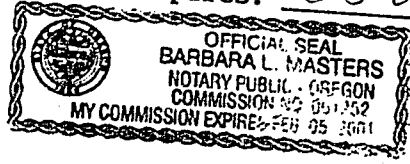
DATED this 21st day of May, 1998.


LouEllyn Kelly, Chairman

STATE OF OREGON)
County of Klamath) ss. 21st May, 1998

Personally appeared LouEllyn Kelly who, being duly sworn, stated she is chairman of Falcon Heights Condominium Association, Inc. and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and she acknowledged said instrument to be its voluntary act and deed.
Before me:


Notary Public for Oregon
My Commission expires: 25-01



After recording return to:
Michael P. Rudd
411 Pine Street
Klamath Falls, OR 97601

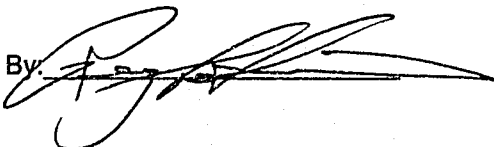
The foregoing Bylaw Amendment is approved pursuant to ORS
100.410 this 19th day of June, 1998.

SCOTT W. TAYLOR
Real Estate Commissioner

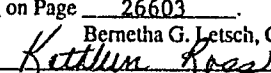
By 
Marge Robinson

The foregoing Bylaw Amendment is approved pursuant to ORS
100.410 this 24 day of June, 1998.

Klamath County Tax Assessor

By 

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Michael Rudd the 21st day
of July A.D., 19 98 at 2:24 o'clock P. M., and duly recorded in Vol. M98,
of Deeds on Page 26603.
Return: Michael Rudd Bernetha G. Letsch, County Clerk
FEE \$25.00 411 Pine St. Ey 
KFO 97601