



Real Estate Agency

CONDOMINIUM DISCLOSURE STATEMENT
ADOPTED & ISSUED: 1-24-2001
REVISED: 7-6-2001

FILE NO. CO-26-1100-425

FOR

BRIDGETOWN CONDOMINIUM
(AN OREGON CONDOMINIUM)

DECLARANT

FORD DEVELOPMENT INC
843 SW CORONADO
PORTLAND OR 97219

THIS CONDOMINIUM HAS BEEN FILED WITH THE REAL ESTATE COMMISSIONER OF THE STATE OF OREGON IN ACCORDANCE WITH THE OREGON CONDOMINIUM ACT (ORS 100.005 TO 100.910 AND 100.990). ISSUANCE OF THE ATTACHED DISCLOSURE STATEMENT DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF THE CONDOMINIUM BY THE COMMISSIONER.

THE SIZE OF THE INDIVIDUAL UNIT, THE DRAINAGE, SANITATION, DOMESTIC WATER SUPPLIES, IMPROVEMENTS AND THE PHYSICAL DEVELOPMENT AND THE OPERATION OF THE UNIT OWNERS ASSOCIATION OF THE CONDOMINIUM PROJECT ARE NOT REGULATED BY THE REAL ESTATE COMMISSIONER. THIS DISCLOSURE STATEMENT DOES NOT RELIEVE ANY PERSON FROM THE RESPONSIBILITY OF COMPLYING WITH THE REQUIREMENTS OF ANY FEDERAL, STATE, COUNTY OR MUNICIPAL AGENCY WITHIN WHOSE JURISDICTION THE CONDOMINIUM IS LOCATED.

THE REAL ESTATE AGENCY HAS NOT PHYSICALLY INSPECTED THE CONDOMINIUM AND THE INFORMATION INCLUDED IN THIS DISCLOSURE STATEMENT WAS PREPARED BY AND IS A REPRESENTATION OF THE DECLARANT.

THIS DISCLOSURE STATEMENT MUST BE GIVEN TO EACH PURCHASER NOT LATER THAN THE DATE THE UNIT SALES AGREEMENT IS FULLY EXECUTED BY ALL PARTIES AND RECEIPT THEREFORE MUST BE TAKEN.

**PROSPECTIVE PURCHASERS SHOULD READ THIS DISCLOSURE STATEMENT
BEFORE BUYING**

CONDOMINIUM DISCLOSURE STATEMENT BRIDGETOWN CONDOMINIUM

This Disclosure Statement is intended to provide pertinent information about Bridgetown Condominium which is located at 1900-1944 S.E. 122nd Avenue, Portland, Multnomah County, Oregon. The Developer is Ford Development, Inc., an Oregon corporation at 843 S.W. Coronado, Portland, Oregon 97219. Developer's agent for all contact, inquiries and information is Gregory G. Ford, Ford Development, Inc., 843 S.W. Coronado, Portland, Oregon 97219, phone 503-245-4512. The primary sales agent is Gregory G. Ford, Ford Development, Inc., 843 S.W. Coronado, Portland, Oregon 97219, phone 503-245-4512.

A condominium is a special form of property ownership which is created and governed by the Oregon Condominium Act (ORS 100.005, et seq). Bridgetown Condominium includes two kinds of ownership, i.e. each owner of a unit holds a fee simple title to his or her individual unit (including the land under the unit) together with an undivided percentage interest in common with the other 13 unit owners in the "common elements" that is, in the remaining land and all parts of the buildings on the project including foundations, columns, roofs, bearing walls and the like.

Each unit owner is entitled to the exclusive possession and use of his or her unit and is additionally entitled to the exclusive use of the unit's "limited common elements". Each unit owner's interest is a type of real property which may be individually conveyed, encumbered or disposed of by deed, contract, will or gift. Accordingly, a unit owner's interest may generally be owned and disposed of similarly to any other kind of real property.

Prior to issuance of this Disclosure Statement, the Developer submitted to the Oregon Real Estate Agency a form of Declaration, Bylaws and a copy of the plat. On the date this Disclosure Statement is delivered to a prospective purchaser, the said Declaration, Bylaws and the original of the plat will have been duly recorded in the official records of Multnomah County, Oregon. By that recording, the Condominium including the method of ownership of the units described above has been created.

General Description Of Condominium

Construction of the Bridgetown Condominium is now complete and there will be no future improvements.

The Condominium consists of 14 units in 14 free-standing buildings including that part of the unit which is its garage. Each building is two-story, has no basement and is of wood frame construction with architectural composition roofing and triple three vinyl siding. Each unit contains two and one-half bathrooms, three bedrooms, one garage, adequate storage, living room, dining room, open or covered porch and kitchen areas. The rear yards are limited common elements. See Declaration 5.1.

2- DISCLOSURE STATEMENT

Developer is offering a fee simple ownership interest in the unit including its respective percentage interest in the general common elements as described in the Declaration Section 4. The unit owner's rights in the limited common elements is described in Section 5 of the Declaration.

The Bridgetown Condominium is now complete in and of itself. This means the Developer has not reserved any right to add additional land or additional units to the condominium project.

Sales And Financing

The Developer is not offering any financing to prospective purchasers. Immediately after execution of a purchase agreement, each purchaser must apply for loan approval by an institutional or other lender. If the purchaser plans to pay in cash without obtaining financing, such purchaser must furnish Developer with any credit information requested by the Developer. In the event the purchaser is unable to obtain a loan or satisfy Developer of purchaser's ability to pay by the date specified in the purchase agreement and after diligent efforts to do so, the Unit Sales Agreement will terminate and purchaser's earnest money will be refunded, unless the time for obtaining such credit approval is extended by the parties. See page 4 of the Unit Sales Agreement.

At closing, the purchaser will be responsible for the recording fee for the deed, any sales or transfer tax, an initial contribution to the working capital of the Association of Unit Owners equal to two months of Association assessments, accrued replacement reserves for the unit, purchaser's portion of the escrow fee, and all fees, costs and expenses in connection with purchaser's loan, if any, including the premium for any mortgagee's title insurance policy. At the closing of each unit, the Developer will secure and record a release of the interests of the holder of any blanket encumbrance against that unit.

If the purchaser should fail to make any deposit or payment required under the Unit Sales Agreement, Developer may declare the purchaser to be in default, and, without prejudice to any other rights of Developer, declare the earnest money paid by the purchaser forfeited to Developer. (See page 4-5 of the Unit Sales Agreement).

All units are sold including a one-year warranty on the unit and a one-year warranty on the common elements. Developer's warranty does not include any warranty on consumer products as defined in the Magnuson-Moss Warranty Act or consumer goods as defined in the Uniform Commercial Code as adopted and in effect in Oregon. There are separate manufacturer's warranties regarding these items as disclosed below. (See page 6 of the Unit Sales Agreement).

Developer's warranties are provided in the Unit Sales Agreement and are summarized as follows: The unit sold and the common elements shall be free from defects in the plumbing, electrical, mechanical, structural and all other components thereof, giving due regard for the uses

3- DISCLOSURE STATEMENT

and purposes intended thereby as follows; in respect the unit and related limited common elements for one year from the date of delivery of possession to the first unit owner other than Declarant; with respect to the general common elements for a period of one year from the date Developer conveyed the first of the 14 units to any unit owner other than Declarant.

The above warranty is in lieu of any other warranty whether express, implied in law or in fact or otherwise. The warranty is valid only to the first purchaser from Declarant of a unit and is not assignable.

With respect to consumer goods and products, warranties range from one year to 20 years and are applicable to roofing, siding, refrigerator, stove, hood, dishwasher, disposer, garage door opener, furnace, water heater, certain exposed plumbing fixtures and exhaust fan. In most cases the warranty requires delivery of a defective product capable of being delivered to a local service depot established by manufacturers. Warranties on some products which are not easily removable include on-site repair. Copies of the warranties are located in a unit owner's handbook in each unit. See pages six and seven of the Unit Sales Agreement.

Budget, Assessments And Expenses

The Association has the right to levy assessments against unit owners for the maintenance of the common elements and other purposes. Failure of a unit owner to pay his/her share of assessments will entitle the Association to file and foreclose a lien on his/her unit or institute an action to recover a money judgment for unpaid common expenses without foreclosing or waiving the lien. (Bylaws, Article 6, Section 6.7).

The Bylaws specify that all owners are obligated to pay all assessments imposed by the Board of Directors on behalf of the Association to meet common expenses of the property. At Bridgetown Condominium assessments are made by the Board in accordance with the provisions of the Declaration, and the in manner set forth in the Bylaws. See Section 10.6 of the Declaration and Article 6 of the Bylaws. Each unit owner is entitled to his or her percentage interest of the common profits and expenses of the condominium except that fire and casualty insurance premiums will be shared in proportion to the amount of coverage placed on each unit. See Section 4.3 and 10.6 of the Declaration and Article 6 Section 6.1 of the Bylaws.

Developer had adopted the initial projected budget of the Association. That budget includes Developer's reasonable estimate of all of the costs of operation and maintenance and other common expenses of Bridgetown Condominium. A copy of the budget is attached to this Disclosure Statement.

NOTICE TO PROSPECTIVE PURCHASERS

THE PROJECTION OF THE BUDGET OF THE ASSOCIATION OF UNIT OWNERS FOR THE OPERATION AND MAINTENANCE AND OTHER COMMON EXPENSES OF THE CONDOMINIUM IS ONLY AN ESTIMATE, PREPARED WITH DUE CARE.

The budget includes a reserve account for repair or replacement of those portions of the common elements all or a part of which would normally require replacement in more than three and less than 30 years including exterior painting if any part of the common elements have exterior painted surfaces. The reserve account need not include those items that could reasonably be funded from operating assessments. This account must be funded by assessments against the individual unit assessed for maintenance of items for which the reserve account is being established. The duty to pay these assessments accrues from the time of the conveyance of the first individual unit assessed however, Declarant has elected to defer payment of the accrued reserve assessment until the time it is sold by the Developer. In no event may the Developer defer payment of these accrued reserve assessments for a period longer than three years from the date of recording of the Declaration. The Association books shall reflect the amount owing from the Declarant for all reserve assessments accruing after conveyance of the first unit in the condominium. The amount of the replacement reserves has been computed by Developer based on Developer's agents' experience with other real estate projects of similar type. Bylaws, Article 6, Section 6.1 contains specific provisions relating to the budget. Bylaws, Article 6, Section 6.1 (c) contains specific provisions relating to the reserves. The reserve account must be utilized for maintenance, repair and replacement of common elements for which a reserve has been established and is to be kept in a separate account in the name of the Association. The Board of Directors must annually conduct a reserve study or conduct a review and an update of any then existing reserve study which among other things must include an identification of the items for which reserves are to be established; the estimated remaining useful life of each such item as of the date of the study; an estimated cost of maintenance, repair or replacement of each such item at the end of its useful life; and contain a 30-year plan with regular and adequate contributions adjusted by estimated inflation and interest earned on the reserves to meet the maintenance, repair and replacement schedule. After the individual unit owners have assumed administrative responsibility for the Association under the turn-over meeting provisions found at Section 3.3 of the Bylaws, the Board of Directors may borrow from the reserve account to meet high seasonal demands on the regular operating funds or to meet other temporary expenses. Additionally, after the turn-over meeting, the Association may, on an annual basis, elect not to fund the reserve account by a unanimous vote of the owners.

Developer has elected to pay all of the common expenses (the assessments) for the condominium project as provided by the Bylaws, Article 6, Section 6.3. Accordingly, each unit owner will be required to pay only the initial (working capital) assessment as set forth in the Unit Sales Agreement and that part of the budget which relates to replacement reserves. When Developer has given at least ten (10) days written notice to all unit owners, all unit owners including Developer, shall then pay the regular monthly assessments as shown in the budget. See Bylaws, Article 6, Section 6.3(b); Unit Sales Agreement, page 3.

Management And Operation Of Bridgetown Condominium

Prospective purchasers should carefully review all of the sections of the Declaration and Bylaws, including those identified below which relate to the operation and management of the Condominium.

5- DISCLOSURE STATEMENT

As provided in Section 10.1 and 10.4 of the Declaration, Developer has organized an Association of Unit Owners to serve as a means through which the unit owners may take action with regard to the administration, management and operation of the Condominium. This Association is an Oregon nonprofit corporation. As provided in Section 10.2 of the Declaration, each unit owner is a member of the Association. The affairs of the Association will be governed by a Board of Directors as provided in the Bylaws. Each unit will be entitled to one vote.

Article 3 of the Bylaws describes the meeting of the Association and Article I, Sections 1.1, 1.2 and 1.3 the method of voting by members. Article 4 of the Bylaws describes the Board of Directors, including the number and qualification of directors, election of directors, the powers and duties of the Board of Directors, meeting of the Board of Directors, and liability and indemnification of directors, officers and the managing agent. Article 5 of the Bylaws describes the officers of the Association.

Article 6 of the Bylaws describes the budget, expenses and assessments of the Association, including collection of assessments. Records and audits of records of the Association are discussed in Article 7 of the Bylaws.

Article 6, Section 6.8 and Article 7 of the Bylaws sets forth the obligations of the unit owners with respect to the maintenance and use of the units and common elements. In addition, Article 7 of the Bylaws sets forth the use and occupancy restrictions, such as limitations on commercial activities in units, number of occupants and restrictions on pets, and establishes the ability of the Board of Directors to adopt additional rules and regulations.

Article 7 of the Bylaws deals with insurance to be carried by the Association, and Article 11 deals with the method of adopting amendments to the Bylaws.

Special Restrictions

Due to space limitations, no owner or any other person shall park or leave unattended any motor vehicle in any uncovered driveway or parking area in or upon the condominium property. It is required that all owners utilize the unit garage for parking. Any unit may be rented but only on not less than a 30 day or month-to-month tenancy. Additionally, no unit will be occupied for longer than five days in any 60 day period by more than two persons per bedroom. See Declaration, Section 14 and Bylaws, Article 7, Section 7.1. No owner may have a pet without prior written consent of the Board which in any event must be registered with the Board and inoculated as required by law. See Bylaws, Article 7, Section 7.4. No sub-leasing, transient rental or rental of individual rooms shall be allowed. Rental agreements, if any, must be approved by the Board. See Bylaws, Article 7, Section 7.12.

Developer's Rights

Developer has reserved the right to adopt, on behalf of all unit owners, the initial Bylaws and administrative rules and regulations for the Association of Unit Owners, to appoint an

6- DISCLOSURE STATEMENT

interim Board of Directors of the Association and to pay all the expenses of the Association until such time as Developer gives at least ten (10) days written notice to all unit owners that regular assessments must commence. Developer has elected to accrue the reserve portion of the monthly assessments and to charge each unit owner other than Developer with the accrued amount of those reserves on closing. Developer may not accrue reserves for longer than three (3) years from the date of recording of the Declaration. See Section 17 of the Declaration. Developer has also reserved certain easements over the common elements. See Section 16 of the Declaration.

The Developer will have one vote for each unit owned by the Developer, and will have the right to appoint the Board of Directors of the Association until the turnover meeting to be called by the Developer. The turnover meeting must be held within 90 days of the earlier of three years from the date of conveyance of the first unit by Developer or when Developer has sold 75% of the units in the Condominium. See Section 7 and 10.4 of the Declaration and Bylaws 3.3. At the turnover meeting the unit owners, including Developer if Developer owns a unit, will have one vote per unit and will elect the three directors.

The Developer's written consent is required for any amendment to the Declaration or Bylaws until Developer has sold 75% of the units or three years has expired from the time Developer sold the first unit, whichever is earlier. See Section 13.1 of the Declaration and Article 11 of the Bylaws.

Documents By Which All Unit Owners Will Be Bound

Prospective purchasers should carefully read all documents pertaining to the Condominium by which they will be bound. These documents include the following:

1. Unit Sales Agreement. This document sets forth the terms of purchase and the rights and obligations of purchaser and seller including purchaser's right to cancel within five business days of execution.

2. Escrow Instructions between Declarant and First American Title Insurance Company. This document provides for the deposit of all purchaser's funds and papers into escrow and outlines the procedure for closing of each unit sale transaction and the right of purchaser to receive a refund if Developer is in default.

3. Purchaser's financing instruments, if any could include promissory notes, mortgage, trust deeds and security agreements between purchaser and any purchaser's lender. Developer is not a party to any such agreements and accordingly no description thereof can be included herein.

4. The Declaration, including provisions creating the units, the common elements and describing unit owners' rights, rights of mortgagees, easements and Developer's rights.

7- DISCLOSURE STATEMENT

5. Bylaws of the Association containing provisions relating to voting, management, use, operation of the Association, the rights and obligations of the unit owners.

6. Articles of Incorporation of the Association including the corporate status, powers, membership, voting rights and dissolution.


7. Exceptions showing on the plat of Bridgetown Condominium.

8. Regulatory Agreement for each unit by the terms of which the City of Portland has waived certain system development charges in the amount of \$3,300.00 for each unit in the condominium project provided Developer sells the applicable unit only to a first-time buyer; the first-time buyer must have gross household income at or below 100% of the Median Family Income as adjusted for household size; and the initial sales price of each unit does not exceed \$145,425.00. The Regulatory Agreement will terminate as to each individual condominium unit when the Developer closes the initial sale of that condominium unit in compliance with the requirements of the Regulatory Agreement (i.e. to a qualified first-time buyer with gross household income at or below 100% of the Median Family Income for not more than \$145,425.00). There is an individual Regulatory Agreement for each unit filed of public record on June 19, 2000.

9. In addition, each unit owner will be bound by applicable zoning ordinances, building and use restrictions, the rules of governmental agencies relating to water and sewerage services and any easements or restrictions of record. Each unit owner will additionally be bound by the agreements with the applicable provider of natural gas, electricity services, telephone services and cable television services to the extent such services are contracted for by owner.

DATED JANUARY 5, 2001.

FORD DEVELOPMENT, INC., an Oregon corporation

By:  _____
Developer or Developer's Authorized Agent

PROJECTED BUDGET

BRIDGETOWN CONDOMINIUM

The anticipated monthly expense is as follows:

Administrative Expenses:

Supplies	\$ 42.00
Legal and Accounting	\$ 84.00

Operating Expenses:

Water	\$ 70.00
Sewer	\$ 156.24
Storm water	\$ 49.70
Garbage	\$ 8.00
Insurance	\$ 147.00

Repairs and Maintenance:

Yard and Landscaping	<u>\$ 125.00</u>
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TOTAL OPERATING EXPENSES \$ 851.94

Reserves:

Replacement	<u>\$ 280.00</u>
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TOTAL RESERVES \$ 280.00

TOTAL \$1,131.94

Units 1 - 6 = \$84.90/month

Unit 7 = \$86.03/month

Units 8 - 12 = \$76.97/month

Units 13 - 14 = \$75.83/month

NOTE: Replacement reserves include roof 24 years; paving 20 years; fencing 20 years; paint 7 years.

NOTE: Each unit will pay own garbage. Above garbage amount is for common area maintenance.