



State of Oregon Real Estate Agency

530 Center ST NE, Suite 100
Salem, OR 97301-2505

Condominium Disclosure Statement

ESSEX PARK CONDOMINIUM
(AN OREGON CONDOMINIUM)
FILE NO. **CO-201260563**

ADOPTED AND ISSUED BY THE COMMISSIONER ON: **June 24th, 2025**

NAME AND ADDRESS OF DECLARANT:
PSM Construction LLC, an Oregon limited liability company
8721 SE 41st Avenue
Portland, Oregon 97222

PURCHASERS: READ THIS NOTICE CAREFULLY

UNIT SALES AGREEMENT REQUIRED FOR SALE OF UNIT

The sale of a unit by the Declarant (seller) requires the Declarant to use a Unit Sales Agreement, which is a special sales agreement prepared by the Declarant that is unique to this condominium. The Real Estate Agency has reviewed and approved the Unit Sales Agreement for compliance with Oregon condominium laws. The Unit Sales Agreement contains special information that is not found in standard real estate sales agreements, including warranty provisions required under ORS 100.185, and a notice to the purchaser of the right to cancel, for any reason, the sale of a condominium unit from a Declarant within five business days under ORS 100.730.

Before the unit sales agreement is fully executed by all parties, the developer is required to deliver to the purchaser a copy of the declaration and bylaws of the condominium and any supplements and amendments to these documents.

PURCHASER MUST BE GIVEN THIS DISCLOSURE STATEMENT

The Declarant must give each purchaser this disclosure statement not later than the date the unit sales agreement is fully executed by all parties. The purchaser must sign a receipt for the disclosure statement. The Declarant has filed this condominium with the Oregon Real Estate Commissioner as required under ORS chapter 100. The fact that the Commissioner issued this disclosure statement does not constitute a recommendation or endorsement of the condominium by the Commissioner. The Real Estate Agency has not physically inspected the condominium. The information in this disclosure statement was prepared by and is a representation of the Declarant. READ THE DISCLOSURE STATEMENT CAREFULLY.

The operation and management of the condominium association of unit owners is not regulated by the Commissioner. This disclosure statement does not relieve any person from the responsibility of complying with the requirements of any municipal, county, state or federal agency that has jurisdiction over the condominium.

**CONDOMINIUM DISCLOSURE STATEMENT
FOR ESSEX PARK CONDOMINIUM**

This Disclosure Statement discloses certain pertinent information about **ESSEX PARK CONDOMINIUM** (the “**Condominium**”), located at 3815 SE 76th Avenue, Units A, B & C, in the City of Portland, Multnomah County, Oregon. This Disclosure Statement has been prepared by PSM Construction LLC, an Oregon limited liability company (the “**Developer**”). Developer’s telephone number is 503-706-1196 and its address is 8721 SE 41st Avenue, Portland, Oregon 97222.

Before this Disclosure Statement was delivered to the prospective purchaser, Developer had recorded in the Deed Records of Multnomah County, Oregon, a final declaration submitting Essex Park Condominium to condominium ownership and the final Bylaws of Essex Park Condominium Owners Association (the “**Association**”). The proposed or final Declaration submitting the Condominium to condominium ownership is referred to in this Disclosure Statement as the “**Declaration**,” and the proposed or final Bylaws of the Association is referred to in this Disclosure Statement as the “**Bylaws**.”

General Description of Condominium

The project contains three buildings, each of which contains two stories without basement. The buildings are of wood frame construction with cementitious siding and composition roofs. The project consists of three units: Unit A contains 3-bedrooms and 2 ½-bathrooms with an attached one-car garage; Units B and C each contain 2-bedrooms and 1 ½-bathrooms, each with an attached one-car garage.

Developer is offering a fee simple ownership interest in a unit to the prospective purchaser. The owner of a unit also receives a 1/3 undivided interest, in common with other unit owners, in the “common elements,” including the “general common elements” described in Article 5 of the Declaration. See Article 7 of the Declaration. In addition, each unit owner also receives the exclusive right to use those “limited common elements” that pertain to their unit. The limited common elements include the private yards, patios and driveways that adjoin the units. See Article 6 of the Declaration.

The project is under construction and expected to be completed by June 14, 2025 and is served by the following utility providers:

Water and Sewer Service:	City of Portland/Bureau of Environmental Services
Electricity:	Portland General Electric
Trash/Recycling:	Portland Disposal & Recycling
Internet/Telephone:	Comcast, CenturyLink Quantum Fiber

Prospective purchasers may contact these providers for further information on current rates and charges. Access to the project is over public roads. Local services such as fire and police protection, schools, medical facilities and shopping facilities are available in the City of Portland.

Sales Agreements

Developer is not offering any financing to prospective purchasers. Within the time specified in the purchase agreement, each purchaser must apply for loan approval by an institutional lender, or if the purchaser plans to pay in cash without obtaining financing, such purchaser must furnish Developer with any credit information requested by Developer. If the purchaser is unable to obtain a loan on satisfactory terms or to satisfy Developer of the purchaser's ability to pay by the date specified in the purchase agreement and after making diligent efforts to do so, either party may terminate the Unit Sale Agreement and the purchaser's earnest money will be refunded, unless the time for obtaining such credit approval is extended by the parties. If the agreement has not been terminated within the specified financing contingency period, then the purchaser's financing contingency will be deemed waived. Thereafter, if the purchaser is unable to close the purchase because of inability to obtain a satisfactory loan, a change in financial status or a change in loan terms, or for any other reason (other than a breach of the agreement by Developer), then the purchaser's earnest money deposit will be paid to and retained by Developer. See Section 3.2 of the Unit Sale Agreement.

The purchase agreement provides that the purchaser may elect to have professional inspections of the property. If the purchaser notifies Developer of unsatisfactory conditions disclosed by the reports within the time allotted in the purchase agreement, and Developer does not agree to correct the unsatisfactory conditions, the purchaser may elect to terminate the agreement and receive a refund of the earnest money deposit. See Section 6.1 of the Unit Sale Agreement.

At closing, the purchaser will be responsible for the recording fee for the deed and warranty, any sales or transfer tax, an initial contribution to the working capital of the Association equal to two months' worth of the regular annual Association assessment, a pro rata share of share of half of the annual assessment for the unit, the purchaser's portion of the escrow fee, any additional premium for title insurance coverage for construction liens, if required, and all fees, costs and expenses in connection with the purchaser's loan, if any, including the premium for any mortgagee's title insurance policy. See Section 4.4 and 7.3 of the Unit Sale Agreement. Any trust deed on the project will provide for release of individual units as they are sold upon payment of a portion of the sales price to the lender or lender will have otherwise agreed to partial releases of its deed of trust when units are sold. Closing of each sale is conditioned upon release of the unit from any trust deed.

If \$50,000 or more of original construction on the unit was completed within three months prior to closing, the title insurance policy may not contain any exception for filed or unfiled claims of construction liens.

If the purchaser fails to make any deposit or payment required under the Unit Sale Agreement, Developer may declare the purchaser to be in default, and, without prejudice to any other rights of Developer, declare the entire amount paid by the purchaser forfeited to Developer. If the purchaser fails to deposit the balance of the purchase price with the escrow agent within the time set forth for closing, Developer may, in lieu of terminating the agreement, require the purchaser to pay to Developer at closing 12 percent per annum of the total purchase price, plus tax and assessment prorates, from such date to the date of actual closing, or pay \$150 per day, whichever is greater. See Section 11.2 of the Unit Sale Agreement.

Each purchaser will receive a warranty in the form attached as Exhibit A.

Certain claims, controversies, or disputes relating to the sale must be resolved through mediation or arbitration. See Sections 12 and 13 of the Unit Sale Agreement.

Common Expenses, Assessments and Budget

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 or her share of assessments will entitle the Association to file and foreclose a lien on the unit or institute an action to recover a money judgment for unpaid common expenses without foreclosing or waiving the lien.

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. See Article 5 of the Bylaws. Such assessments will be made by the board of directors in accordance with the terms of the Declaration, which provides that the common profits and common expenses of the Condominium will be allocated to the owner of each unit based upon the unit's undivided interest in the common elements as described above. See Section 8.1 of the Declaration.

Developer has prepared an initial projected budget of the Association for the operation and maintenance and other common expenses of the Condominium. A copy of the projected 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.

Because there are no general common elements in the Condominium other than the land and drywell, as set forth in the Declaration, for which the Association has responsibility to maintain and repair, but none of which would require major repairs or replacements before 30 years from the date of their construction; and because there are no limited common elements or portions of any unit for which the Association has any responsibility for maintenance, repair, or replacement under the Declaration or the Bylaws, neither a reserve study nor a reserve account is required, and the provisions in Section 5.5 of the Bylaws presently do not apply. If the Association were to acquire or construct property that were made common elements of the Condominium or if the Association were to decide to change the maintenance responsibilities of the Association to include structural elements for which reserves would be required under the Oregon Condominium Act, the provisions of Section 5.5 of the Bylaws would then apply, but not otherwise.

Therefore, provisions have not been made in the projected budget for a reserve account. Each unit owner has responsibilities to care for and to insure their Unit and limited common element yard and fencing, similar to what it would be like to own a single-family home outside a condominium regime.

Except as otherwise provided in the Bylaws, the reserve account, if it were to be established by the Association in the future, could only be used for the purposes for which reserves have been established and it would have to be kept in a separate account. The board of directors would have to annually conduct a reserve study or review and update an existing study to determine and adjust

reserve account requirements, if a reserve account were to be established by the Association in the future for any aspect of the common elements. See Section 5.5 of the Bylaws for specific provisions relating to reserves if the Association elects at some future time or from time to time to institute reserves and a reserve fund.

Operation and Management of the Condominium

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

As provided in Section 14.1 of the Declaration, upon the recording of the Declaration Developer will organize 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. The Association will be an Oregon nonprofit corporation. As provided in Section 14.2 of the Declaration, each unit owner will be a member of the Association. The affairs of the Association will be governed by a board of directors as provided in the Bylaws. Each owner will be entitled to one vote for each unit owned by that unit owner. See Section 8.2 of the Declaration.

Article 2 of the Bylaws describes the meetings of the Association and the method of voting by members. Article 3 of the Bylaws describes the board of directors, including the number and qualification of directors, appointment of directors, the powers and duties of the board of directors, meetings of the board of directors, and liability and indemnification of directors, officers and the managing agent. Article 4 of the Bylaws describes the officers of the Association.

Article 5 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 6 of the Bylaws.

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. A unit owner may be held liable for damages caused by the owner's pets, family, guests, visitors or other occupants of the unit. In addition, Section 7.6 of the Bylaws sets forth the use and occupancy restrictions, such as limitations on commercial activities in units and restrictions on pets, and establishes the ability of the board of directors to adopt additional rules and regulations. The governing documents contain no provisions resulting in restrictions on alienation of the unit, other than rental restrictions set forth in Bylaws Section 7.7. See also Declaration Article 10.

Article 8 of the Bylaws deals with insurance to be carried by the Association and by unit owners. The Association is required to carry property damage insurance on the common elements, Association property and all fixtures, improvements and alterations within units, together with liability, workers' compensation, fidelity and directors' and officers' liability insurance. Unit owners must insure their units and limited common elements for the deductibles under the Association's policies and for insuring their own personal property, and Article 9 deals with the method of adopting amendments to the Bylaws. Article 10 relates to dispute resolution, including mediation and mandatory arbitration of disputes.

Rights of Developer

Developer has reserved certain rights in the Unit Sale Agreement, the Declaration and the Bylaws. Under the Unit Sale Agreements, these rights include the right to substitute materials of equal quality and the right to make such changes or modifications in the details of the plans and specifications of the unit and project as Developer, in Developer's sole opinion, deems appropriate. In the event of a variation, change or modification that materially and adversely reduces the value of the unit, the purchaser shall have the right to terminate the Agreement by notice to Developer and the escrow agent given not later than the earlier of (a) within 10 days after notice of the change was given to the purchaser, or (b) at the time of the purchaser's inspection and acceptance of the unit. In the event of such termination, the purchaser's sole remedy will be the return of the earnest money the purchaser previously paid to the escrow agent, plus any interest earned on such amount. If the purchaser fails to terminate the Agreement within such period, the purchaser will be deemed to have accepted such changes and modifications.

The Unit Sale Agreement will not be affected by minor variations in unit size or by modifications to the design, plan or appearance of other units within the Condominium.

Developer has reserved the right to revise or amend the Declaration, Bylaws, and Escrow Agreement to the extent that reasonable changes may be required by governmental authorities, lenders or title insurance companies or that any changes may be required to conform to or utilize the provisions of the Oregon Condominium Act or applicable federal or state law, FannieMae guidelines or FannieMae, Federal Housing Authority or Veterans Affairs regulations, or any amendments or revisions thereto. Any other changes to such documents that materially and adversely affect the purchaser will require the purchaser's consent. If the purchaser does not object to the change within 10 days after notice, the purchaser shall be deemed to have approved the change. If the purchaser does object in writing within such time period, Developer may terminate the purchase agreement, in which case the purchaser's earnest money, together with any interest earned on such funds, will be refunded.

Developer has reserved the right to adopt, on behalf of all unit buyers, the initial Bylaws and administrative rules and regulations for the Association, to appoint an interim board of directors of the Association, and to enter into a management agreement on behalf of the Association with a managing agent. Developer has also reserved certain easements over the common elements. See Sections 12.5 and 14.4 of the Declaration.

Developer will have two votes for each unit owned by Developer until the earlier of when Developer has sold all of the units in the Condominium, or three years from the date of the first conveyance of a unit, and will have the right to appoint the board of directors of the Association until the first organizational and turnover meeting called by Developer. See Sections 3.2 and 3.3 of the Bylaws. Developer must call the organizational and turnover meeting within three years after the date of the first conveyance of the first unit to a person other than Developer, or within 90 days after Developer has sold and conveyed all of the units in the Condominium, whichever is earlier. See Section 2.2 of the Bylaws. At that meeting, the interim directors will resign and the unit owners will each appoint one director. See Section 3.3 of the Bylaws.

Developer's prior written consent is required for any amendment to the Declaration or Bylaws for a period of ten years from the date of closing of the sale of the last unit by Declarant to a person other than a successor declarant. See Section 15.2 of the Declaration and Section 9.2 of the Bylaws.

Additional Information

Purchasers should be aware that urban condominium living differs from detached single-family living in that such structures inherently are subject to some sound transmission from unit to unit and from common areas to units and from urban street noise. Developer and the general contractor are building the buildings to meet building codes and as approved by the City, the architects and the engineers. Nevertheless, these are closely spaced buildings where there will be activities that may cause sound transfer from one unit to another, such as music from sound systems and televisions, and noises from other activities. Before deciding to purchase, each prospective purchaser should satisfy themselves that the level of sound transmission at this project will be acceptable to the purchaser. This includes checking (personally or through a qualified inspector of the purchaser's choice) the noise level that exists in the unit now and that may exist when other units are occupied.

Developer is making no representation or warranty regarding the existence of or changes in the level of noise, light, air or view benefiting or burdening the unit specifically or the Condominium generally. Purchasers acknowledge that Developer will have no liability if the current level of noise, light, air or view affecting the unit changes due to future developments. Purchasers acknowledge that as is typical in residential condominiums, the units are not sound-proof and Developer makes no warranty or representation regarding the degree that exterior sounds will infiltrate the unit. Unit occupants may hear some degree of noise from the street, from nearby residences and from nearby common areas. The Association will have the responsibility of enforcing rules against disturbing other members of the Association, but even reasonable levels of noise occurring outside the unit may be audible inside the unit to some degree. Purchasers should obtain independent advice regarding any question concerning sound transmission and any additional insulation desired at the purchasers' expense to further soundproof the unit beyond what is standard.

Any completion date set forth in the Unit Sale Agreement or this Disclosure Statement or otherwise furnished by Developer or Developer's agents, is only an estimate. Developer does not guarantee that the unit will, in fact, be ready for occupancy on such date.

Any square footages of the unit provided by Developer or Developer's agents are approximate and based upon "architectural" measurements taken from architectural plans. Final square footages may differ, and the square footages in the Condominium declaration and plat will be based upon condominium measurement standards, which are not the same as "architectural" measurements. Developer does not guarantee any specific square footage.

The project may or may not be built according to the specific plans and specifications in existence on the date of the sales agreement although Developer will develop the project in general conformity with such plans, subject to the rights of Developer reserved in Section 6.1 of the Unit Sale Agreement. In any case, no building is built 100 percent in accordance with its plans and specifications. Minor variations in unit size or modifications to the design plan or appearance of other units within the Condominium, or variations, changes or modifications in the detail of the plans and specifications do not require the purchaser's consent unless they materially and adversely reduce the value of the unit. The project will not include any recreational facilities or structures.

The Condominium will need certain periodic maintenance and inspections in order to ensure the safety of the property and that its various components last for their projected useful lives. The Maintenance Plan established pursuant to Section 7.2 of the Bylaws identifies the components of the common elements requiring periodic and regularly scheduled maintenance and inspections. Seller may deliver an Owner's Manual to each purchaser that describes the periodic inspections and maintenance required to keep the unit in good condition. Failure to follow the Maintenance Plan or Owner's Manual could impair the safety of the Condominium, reduce the useful lives of its components and increase future maintenance costs and release Developer and its design professionals, contractors and subcontractors and their consultants from claims for loss or damage to the extent that such loss or damage results from such failure to follow the Maintenance Plan or Owner's Manual.

Under the terms of the Unit Sale Agreement, Developer will be liable to the purchaser or the Association for mold, dry rot or other results of water intrusion only to the extent caused by construction defects and will not be liable for damage relating to mold or dry rot (a) caused by sources other than construction defects, such as living conditions and personal living habits, (b) to the extent resulting from failure of the unit owner or the Association to properly manage and maintain the project, including, without limitation, failure to regularly inspect for water intrusion or to maintain caulking and seals, or (c) to the extent resulting from failure to promptly notify Developer of evidence of moisture penetration, mold or dry rot or to permit Developer to inspect or remedy the problem. Developer's responsibility is limited to correcting the construction defect and repairing the resulting damages to the project. Developer will not be responsible for consequential damages such as damages to personal property, personal injury, loss of income or emotional distress.

Purchasers should be aware that even though there are only three units, certain matters must be handled by the incorporated association of owners as provided in the Bylaws. These include, without limitation, common maintenance of the general common elements, master insurance policy, budgets and reserve studies, assessments, maintenance of bank accounts, filing of tax returns and annual renewals with the Oregon Secretary of State and Real Estate Agency.

Documents by which Purchasers will be Bound

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

1. Declaration submitting Essex Park Condominium to Condominium Ownership. The Declaration contains, among other things, provisions describing the units, the common elements, the rights of mortgagees, easements, and Developer's rights.
2. Bylaws of the Essex Park Condominium Owners Association. This document contains, among other things, provisions relating to the management, use and operation of the Association and the rights and obligations of the unit owners.
3. Plat of Essex Park Condominium. The plat shows the location of all buildings, the designation, location, dimensions and square footage of the units, the limited common elements, if any, pertaining to each unit and the general common elements of the condominium project.

4. Escrow Agreement between Developer and Fidelity National Title Company of Oregon. This document provides for deposit of funds into escrow and outlines a general procedure for the closing of unit sale transactions.

5. Unit Sale Agreement. This document sets forth the rights and obligations of the seller and the purchaser and includes a notice to the purchaser of a statutory right to cancel the transaction within five business days.

6. Articles of Incorporation of the Essex Park Condominium Owners Association. This document contains provisions outlining the purpose and powers, membership, voting rights and dissolution of the Association.

7. Management Agreement, if any. At the time this Disclosure Statement was issued, Developer had not yet entered into a management agreement. At the time of purchase, the purchaser should inquire whether such a management agreement exists. The management agreement would deal with the duties and compensation of the managing agent.

8. Purchasers should review each of the easements and use restrictions referred to in the preliminary title report which will be furnished to them by Fidelity National Title Company of Oregon.

9. In addition, purchasers may be bound by financing instruments, escrow instructions and provisions of the Oregon Condominium Act. Prospective purchasers should also inquire regarding rules and regulations, if any, that may have been adopted since the date of this Disclosure Statement.

EXHIBIT A

AFTER RECORDING RETURN TO:

PSM Construction LLC
8721 SE 41st Avenue
Portland, OR 97222

CONDOMINIUM WARRANTY

THIS CONDOMINIUM WARRANTY (this “**Agreement**”) is entered into as of this _____ day of _____, 20____ by **PSM CONSTRUCTION LLC**, an Oregon limited liability company (“**Seller**”), whose address 8721 SE 41st Avenue, Portland, Oregon, 97222, and _____ (“**Purchaser**”), whose address is _____.

RECITALS

A. Seller is a licensed developer who arranged for the construction of the Essex Park Condominium (the “**Condominium**”) in the City of Portland, Multnomah County, Oregon.

B. Purchaser is the original owner of Unit _____ of the Condominium. Such unit or units and the fixtures, appliances and consumer products therein are collectively referred to in this Warranty as the “**Unit**.”

C. In accordance with ORS 701.605 and 205.246(1)(y), Seller and Purchaser wish to record the express warranty being furnished by Seller to Purchaser.

NOW, THEREFORE, Seller and Purchaser agree as follows:

1. **STATUTORY WARRANTY.**

1.1 **Express Warranty.** Pursuant to ORS 100.185, Seller warrants to Purchaser for a period of one year from date of possession that the Unit and related limited common elements sold under this Agreement is and will be free of defects in materials or workmanship. In addition, Seller warrants that the general common elements are and will be free of defects in materials or workmanship for a period of **one year** from the date of the first conveyance of a unit in the Condominium to a buyer or one year from the date of completion of the specific general common element, whichever is later. This warranty applies only to those items that are integral component parts of the structure and is not applicable to “consumer products” as defined in the Magnuson-Moss Warranty Act. The latter items may be covered by manufacturer’s warranties, which are available for inspection at Seller’s office.

1.2 **Seller's Obligations and Limitations on Seller's Obligations.** In the event of any defects covered by such warranty, Seller, at Seller's option, must either repair or replace the defective item. Seller will be responsible for repairing any actual damages directly resulting from the defect but will not be responsible for any consequential damages arising out of such defect. Seller is not responsible for any damages resulting from lack of or improper maintenance or monitoring of the Unit or Condominium by Purchaser or the association of unit owners (the "**Association**") or from failure of Purchaser or the Association to provide Seller with prompt notice of the defect. See the attached **Disclaimer and Waiver – Mold and Dry Rot Damages** for additional limitations on claims for mold and dry rot damage, which is incorporated into this Agreement by this reference.

1.3 **Implied Warranties Excluded.** THIS WARRANTY IS GIVEN BY SELLER AND ACCEPTED BY PURCHASER IN LIEU OF ANY IMPLIED WARRANTIES AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.

1.4 **Association as Beneficiary.** The Association is a beneficiary of this warranty with respect to the general common elements and is bound by its limitations, waivers, and disclaimers in all respects.

1.5 **Time Within Which Warranty Claims Must Be Asserted.** A written claim reasonably specifying a breach of this warranty on the Unit and the related limited common elements must be delivered to Seller before the expiration of such warranty. A written claim reasonably specifying a breach of the warranty on the general common elements must be delivered to Seller within two years of expiration of such warranty, but the claim must be for a defect existing prior to the expiration of the warranty. An action to enforce the warranty may not be commenced later than four years after expiration of the warranty.

1.6 **Procedure for Asserting Claims; Seller's Right to View, Inspect and Respond.** Purchaser may not commence arbitration or litigation against Seller or any contractor, subcontractor, or supplier for construction defects unless Purchaser has given written notice of the claim and permitted them to view, inspect, and respond to the claimed defect, as provided in ORS 701.560 to 701.595.

1.7 **Personal Property.** Purchaser acknowledges that any warranties on appliances, equipment, and other consumer products as defined in the Magnuson-Moss Warranty Act or the Uniform Commercial Code installed in the Unit are those of the manufacturer or supplier only and that Seller does not warrant such items, but to the extent assignable, these manufacturers' or suppliers' warranties will be assigned to Purchaser effective on the closing date. Seller will reasonably cooperate with any such claims Purchaser may elect to pursue against the manufacturer, provided there is no cost or liability to Seller. If Seller receives any payment from a manufacturer after closing as a result of product deficiencies applicable to the Unit, Seller will deliver such payment to Purchaser after deduction of Seller's costs. Seller does not represent or guarantee the existence or validity of any manufacturer or supplier warranties or the performance by any manufacturer or supplier of its warranty obligations. With respect to any manufactured products, Purchaser expressly assumes the risk, as against Seller, that such products may be deficient, substandard, or defective. Purchaser also acknowledges that the warranty of all appliances, equipment and other consumer products placed in the common elements by Seller, if any, are those of the manufacturer or supplier only and that Seller does not warrant such items.

2. CLAIMS OTHER THAN CLAIMS BASED ON STATUTORY WARRANTY.

2.1 Release and Waiver of Past, Present, and Future Claims Other Than Statutory Warranty Claims Regarding Condition of the Unit and Common Elements. Except with respect to statutory warranty claims under Section 1 above, Purchaser hereby releases and waives any claim whenever arising against Seller or its agents, brokers, successors, employees, affiliates, representatives, officers, directors, members and managers, against any contractors, subcontractors, suppliers, consultants or design professionals of every tier performing any work or services in connection with the Condominium at any time pursuant to Seller's Unit Sale Agreement with Purchaser or this Warranty and their insurers and reinsurers, or against the Association or any board member thereof (collectively, the "**Seller Parties**"), relating to or arising from the condition of the Unit and common elements at any time. This waiver is absolute and unconditional, and this release and waiver applies whether or not Purchaser has knowledge of any actual or potential cause of action for such claims. This waiver applies to claims under any legal theory, including but not limited to negligence, negligence per se, negligent misrepresentation, defective construction, breach of contract or express or implied warranty (except as set forth in Section 1 above), unlawful trade practice, breach of fiduciary duty, strict liability, nuisance, trespass, or any other theory, whether arising from statute, contract, tort or otherwise. This waiver includes, without limitation, claims relating to construction defects, design defects, inspection defects, water intrusion, mold, mildew, dry rot, fungus and/or odors in the Unit or common elements; products or conditions in the Unit or common elements, including for example carbon monoxide, radon, or carpet glue or fumes; noise or sound transmission; loss of use; emotional distress; incidental or consequential damages; attorneys' fees and costs; or relocation expenses (temporary or otherwise). Purchaser acknowledges that Seller would have required a significantly higher purchase price for the Unit if Purchaser refused to accept the Unit and common elements on such basis, required any further warranty, or declined to provide the foregoing release and waiver. These releases and waivers are binding upon Purchaser, all successor owners, buyers, or occupants of the Unit, the Association, and their respective members, employees, contractors, property managers, brokers, heirs, successors, assigns, guests, and invitees. Purchaser agrees that claims of the Association are derivative of claims of unit owners and that the Association is and will be bound by the foregoing waiver. This waiver acts as a complete bar and defense against any released or waived claim. Purchaser agrees to require this release and waiver be included as a term in any future sale or lease of the Unit or the Condominium, and that Purchaser will indemnify, defend, reimburse and hold the Seller Parties harmless from any claim, suit, demand, damage, liability or expense resulting from the failure to do so. **Because there are no general common elements other than the land in the Condominium, the drywell, and any utility lines or connections shared by the units, and there no structural features or limited common elements for which the Association has the responsibility to maintain, repair, replace or insure, the Association has no standing to pursue Claims on behalf of the owners of the units in the Condominium. Purchaser waives and hereby releases forever any right for the Association to make any Claim regarding the condition, known or unknown, now or in the future, of the Condominium or the Unit on Purchaser's behalf. Purchaser acknowledges that Purchaser has read and understands this waiver, that it has had an opportunity to seek and consult counsel regarding this waiver and will have further opportunity to do so until the expiration of Purchaser's 5-day right of cancellation set forth in the Notice to Purchaser (Right of Cancellation) attached to the front of this Agreement.**

2.2 Time Within Which Non-Warranty Claims Must be Asserted. It is the intent of the parties that the releases and waivers of claims in this Section 2.2 be comprehensive and

final. To the extent that it is determined that any claim against any Seller Party, under any legal theory, including, without limitation, those claims listed in Section 2.1 above, survives the foregoing release and waiver for any reason, such claim must be brought under the initial dispute resolution procedures set forth in Section 10.2(a) of the Bylaws within 90 days after the date the Association or Purchaser knew or reasonably should have known of facts sufficient to put them on notice of the claim, **or if earlier**, with respect to the Unit and related limited common elements, by no later than the first anniversary of the closing date of this sale or, with respect to the general common elements, within 90 days after the date of the turnover meeting as described in Section 2.2 of the Bylaws. Any arbitration or litigation based upon such claims must be instituted within 90 days after completion of the mediation proceedings under Section 10.2(b) of the Bylaws, or if shorter, the applicable statute of limitations. **Any and all such claims not brought within these time periods will be deemed time barred, regardless of when the Association or unit owners actually discovered the alleged basis for the claim.**

3. **DISPUTE RESOLUTION.** Any claim by the Association or any unit owner against Seller or any contractor, subcontractor, supplier, consultant or design professional of every tier performing any work or services in connection with the Condominium, and their agents, brokers, successors, employees, affiliates, representatives, officers, directors, managers and members and their insurers and re-insurers, related to the design, construction or condition of the Condominium, including but not limited to, claims for defective or negligent construction or design, or failure to repair or disclose a defective condition, or fraud in connection with the condition, including contract claims of misrepresentation, fraud, or claims of conflict of interest or breach of fiduciary duty, regarding or related in any way to the design, construction, or condition of the Condominium and Unit must be resolved in accordance with the dispute resolution procedures set forth in Section 10 of the Bylaws. Claims brought under this Agreement may not be subject to arbitration unless the parties, including any third parties to the dispute, agree to binding arbitration in writing.

4. **ATTORNEYS' FEES.** Except to the extent otherwise provided by law, in the event of any claim made against the other party whether or not such claim is determined by a court of law under this Warranty, each party will bear its own costs, including, without limitation, filing fees, attorneys' fees, investigation expenses, consultant's fees and expert's fees. The other costs of litigation and other court costs will be paid and borne by the parties in accordance with Section 10 of the Bylaws of the Condominium. To the extent permitted by law, statutory attorneys' fees under the Unlawful Trade Practices Act or any other applicable statute are hereby waived.

5. **BENEFITS AND BURDENS; SURVIVAL AND SAVINGS.** This Agreement benefits and burdens subsequent owners of the Unit. All provisions of this Agreement will survive closing of the sale of the unit to Purchaser and the conveyance of title to the unit to Purchaser, its successors and assigns, and will be fully enforceable thereafter. If any part of this Agreement is held invalid or unenforceable or contrary to any present or future statute, law, ordinance, or regulation by a court of competent jurisdiction, such invalidity or unenforceability will not affect the remainder of the Agreement. The consideration for this Agreement is the same consideration as stated in the Unit Sales Agreement between Seller and Purchaser entered in connection with closing the sale of the unit.

PURCHASER:

STATE OF OREGON)
COUNTY OF _____) ss.

This instrument was acknowledged before me this ____ day of _____, 20____,
by _____.

Notary Public for Oregon
My commission expires: _____
Commission No.: _____

STATE OF OREGON)
COUNTY OF _____) ss.

This instrument was acknowledged before me this ____ day of _____, 20____,
by _____.

Notary Public for Oregon
My commission expires: _____
Commission No.: _____

SELLER:

PSM CONSTRUCTION LLC,
an Oregon limited liability company

By: _____
Paul Scott Manton, Manager

STATE OF OREGON)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this ____ day of _____,
20____ by Paul Scott Manton, as Manager of PSM Construction LLC, an Oregon limited liability
company, and on its behalf.

Notary Public for Oregon
My commission expires: _____
Commission No.: _____

**DISCLAIMER AND WAIVER
MOLD AND DRY ROT DAMAGES;
SOUND TRANSMISSION
Addendum to Condominium Warranty**

Purchaser acknowledges the following: mold is a naturally occurring fungus. New construction is not, and cannot be, designed to exclude mold growth. Under certain conditions, mold can grow in residential units. Moisture, which contributes to mold growth, is the only factor which can be controlled in its setting. It is the responsibility of the owner to control the environment in such a manner so as to reduce or eliminate mold growth. Good housekeeping and homeowner maintenance practices are essential in the effort to prevent or eliminate mold growth and/or dry rot associated with such growth. If moisture conditions are not regulated mold and mold growth can occur within 24 to 48 hours.

The responsibility of Seller is limited to those issues Seller can control during construction. Once construction is completed and the unit owner takes occupancy, the unit owner is responsible for regulating the moisture conditions associated with the unit. It is the express responsibility of the unit owner and the Association to properly monitor, manage, and maintain the Condominium after purchase. This includes, but is not limited to, the elimination of all sources of moisture; instituting and maintaining a regular program of caulking, sealing, and replacing as needed all surfaces, including but not limited to roofs, decks, doors, vents, and window and wall systems; as well as monitoring for signs of water intrusion, moisture, mold, or dry rot. Additionally, it is the exclusive responsibility of the unit owner and the Association, as applicable, to properly ventilate the inside of living spaces in the unit so as to prevent moist air from condensing within the unit or on its surfaces.

Seller's responsibility for mold or dry rot is LIMITED to such damage as may be caused by construction means and methods outside the generally accepted construction standards at the time of construction and will not apply to damage relating to mold or dry rot (a) caused by sources other than deficiencies in the construction means and methods, including, but not limited to, living conditions or personal living habits, (b) to the extent resulting from failure of the unit owner or the Association to properly manage and maintain the Condominium and the unit, respectively, including without limitation, failure to regularly inspect for water intrusion or to maintain caulking and seals designed to prevent moisture intrusion, or (c) to the extent resulting from failure to promptly notify the Seller of evidence of moisture penetration, mold or dry rot or to permit Seller to inspect or remedy such situations. Seller's responsibility is limited to correcting the purported construction means or method and repairing the resulting damage, if any, to the Condominium. The Seller will NOT be responsible under any legal theory (including claims in contract, tort or otherwise) for consequential damages such as damages to personal property, relocation costs/expenses, personal injury or illness, loss of income, or emotional distress. Claims regarding mold or dry rot must be asserted within the time periods and in the same manner as any other warranty claims as provided in the statutory warranty contained in Section 1 of this Agreement.

Purchaser acknowledges the following: urban condominium living differs from detached single-family living in that such structures inherently are subject to some sound transmission from unit to unit and from common areas to units and from urban street noise. These are closely placed buildings where there will be activities that may cause sound transfer from one unit to another, such as music from sound systems and televisions, and noises from other activities. Purchaser has satisfied themselves that the level of sound transmission at this Condominium will be acceptable to the purchaser, the noise level that exists in the unit now and that may exist when other units are occupied.

The Purchaser hereby expressly WAIVES all claims and causes of action against the Seller in connection with mold or dry rot or other fungal growth, or with sound transmission, and any damages related thereto, except to the extent expressly set forth in this Addendum.

Date: _____

Purchaser's Initials: _____

Essex Park Condominium Owners Association

Projected Operating Budget

	Annual Costs	Monthly Costs	Monthly Cost Per Home
1 Insurance			
Public Liability	\$711.00	\$59.25	\$19.75
D&O	\$187.00	\$15.58	\$5.19
2 Filing Fee	\$150.00	\$12.50	\$4.17
3 Bank Fees	\$75.00	\$6.25	\$2.08
4 Misc. Admin Costs	\$50.00	\$4.17	\$1.39
5 Professional Fees: accountant	\$325.00	\$27.08	\$9.03
	Per Home Per Month		\$41.61
	Per Home Annual		\$499.33



Moisture Intrusion & Water Damage

Information for Home Owners

Effective July 1, 2008, contractors that build new homes must provide special information to homebuyers about moisture intrusion and water damage, and provide a home maintenance schedule in accordance with ORS 701.335. The following information was prepared by the Oregon Construction Contractors Board (CCB) to help contractors comply with this requirement.

What is moisture intrusion and water damage? “Moisture intrusion” means water – whether liquid, frozen, condensed or vaporized – that penetrates into your home. “Water damage” means damage or harm caused by moisture intrusion that reduces the value or usefulness of your home.

How does moisture intrusion and water damage occur? Some causes of moisture intrusion and water damage are:

- Missing or loose roofing materials or flashing
- Window sills or door frames without adequate caulking or weather-stripping
- Lack of caulking in siding, mortar in masonry, or grout in exterior ceramic tile installations
- Degraded paint on exterior siding or surfaces
- Overflowing or clogged gutters
- Gutter drains or downspouts that are not a sufficient distance from the structure
- Improper drainage slope next to foundation
- Plant materials too close to the structure or foundation
- Sprinklers that overspray onto the structure or foundation
- Non-working interior ventilation systems

How can you tell if your home has water damage? Signs of water damage may include dampness, staining, mildew (blackened surfaces with a musty smell), or softness in wood (a possible sign of dry rot).

What to do if you see signs of water damage: If water damage is discovered, you should investigate its source. Take steps to repair or replace any building parts or materials that allowed the moisture intrusion. You may need to take additional steps, depending on the extent of the water damage.

If you have specific questions about maintaining your new home, ask your contractor. If you need professional assistance in conducting a maintenance inspection, you may wish to contact your contractor or a licensed home inspection business.

(ORS 701.335) (OAR 812-012-0120)

RECOMMENDED MAINTENANCE SCHEDULE FOR HOMEOWNERS (ORS 701.335) (OAR 812-012-0120)

Maintenance Item	Description of Maintenance	How Often	Date	Date	Date	Date
Caulking/Weather Stripping	Check and repair missing, cracked, or peeling caulking or weather-stripping around window sills, door frames, and in siding gaps.	Twice yearly				
Debris Removal	Inspect gutters for debris blockage. Remove debris (for example, tree needles and leaves) from downspouts and gutters.	Yearly				
Foundation	Check soil around foundation to make sure that it slopes in such that water can flow away from the foundation. Fill soil in any areas that have settled around the foundation.	Yearly				
Gutters & Downspouts	Inspect gutters and downspouts for leaks. Repair if necessary. Check alignment of gutters, downspouts, and splash blocks to ensure that water is properly diverted away from the structure and foundation. Repair if necessary.	Yearly				
Landscaping sprinklers	Check landscaping sprinklers to make sure that they are not set so that they will soak siding or form puddles near the foundation. Adjust if necessary.	Yearly				
Mortar	Check and repair missing mortar in exterior masonry.	Yearly				
Paint	Check painted surfaces for cracking, peeling, or fading. Repaint if necessary.	Yearly				
Roof	Check roof for damaged, loose, or missing shingles. Check flashing around roof stacks, vents, skylights, and chimneys and in roof valleys for missing or loose flashing. Repair or replace if necessary.	Yearly				
Trees & Shrubs	Trim back tree branches, shrubs, and other plants to make sure they are not in contact with the structure.	Yearly				
Ventilation Systems	Check to make sure that interior mechanical ventilation systems (such as bathroom, kitchen, and utility room vent fans) are in good working order. Repair if necessary.	Yearly				
Water Stains	Check for water stains in the roof of the attic and in the exterior overhangs or soffits. If water stains are present, locate and repair the cause of moisture intrusion.	Every two months				

RECEIPT FOR DISCLOSURE STATEMENT

FOR

ESSEX PARK CONDOMINIUM
(AN OREGON CONDOMINIUM)
FILE NO. CO-201260563

ADOPTED AND ISSUED BY THE COMMISSIONER ON: **June 24th, 2025**

NAME AND ADDRESS OF DECLARANT:

PSM Construction LLC, an Oregon limited liability company
8721 SE 41st Avenue
Portland, Oregon 97222

Oregon law requires that you as a prospective purchaser of a Condominium unit be given a copy of a disclosure statement adopted and issued by the Real Estate Commissioner not later than the date the unit sales agreement is fully executed by all parties.

DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED A COPY OF THE DISCLOSURE STATEMENT.

The undersigned hereby acknowledges receipt of a copy of the Disclosure Statement not later than the date the unit sales agreement is fully executed by all parties.

The undersigned understands that the Disclosure Statement is not a recommendation or endorsement of the Condominium, but is for information only.

Dated this ____ day of _____, 20__.

Purchaser

Purchaser

**THE DECLARANT IS REQUIRED TO RETAIN THEIR COPY OF THIS RECEIPT
FOR THREE YEARS**

(PURCHASER'S COPY)

RECEIPT FOR DISCLOSURE STATEMENT

FOR

ESSEX PARK CONDOMINIUM
(AN OREGON CONDOMINIUM)
FILE NO. CO-201260563

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Dated this ____ day of _____, 20__.

Purchaser

Purchaser

THE DECLARANT IS REQUIRED TO RETAIN THIS RECEIPT FOR THREE YEARS

(DECLARANT'S COPY)