DESCHUTES COUNTY OFFICIAL RECORDS NANCY BLANKENSHIP, COUNTY CLERK

905237732007000477700000033

2007-04777

\$71.00

After recording return to:

Robert S. Lovlien Bryant Lovlien & Jarvis PC P.O. Box 880 Bend, Oregon 97709 D-EAS Cht=1 Stn=23 JS \$45.00 \$11.00 \$10.00 \$5.00

AMERICAN LANE RECIPROCAL EASEMENT AND MAINTENANCE AGREEMENT

The true consideration for this easement is to effectuate the City of Bend Community Development Department's decision in File No.: PZ 06-364.

This Reciprocal Easement and Maintenance Agreement ("Agreement") is made on the date hereinafter set forth by American Lane Investors, LLC, an Oregon limited liability company, as Owner of Lots 3-8 and Lots 14-20 in American Lane Business Park, Phases II and III, more particularly described on Exhibit A attached hereto.

RECITALS:

- 1. WHEREAS, the Lots subject to this Agreement are adjoining lots and share a common driveway for access to the Lots from American Lane and SE Carmen Loop.
- 2. WHEREAS, the conditions set forth in the Decision of the Deschutes County Planning Division, File No. PZ 06-364 dated May 24, 2006, requires such an agreement.
- 3. WHEREAS, American Lane Investors, LLC, an Oregon limited liability company, desires to grant reciprocal easements to Lots 3-8 and Lots 14-20 for use of the common driveways, sidewalks, and to enter into an agreement regarding the maintenance and repair of these common areas.

NOW, THEREFORE, it is agreed:

AGREEMENT:

SECTION 1 DEFINITIONS

- Section 1.01 The term "Authorized Users" means the Lot Owner, the building tenants, the condominium unit owners (if any), customers, officers, and employees.
- Section 1.02 The term "Common Area" means any road that has been paved for vehicular traffic, and pedestrian pathways.
- Section 1.03 The term "Lot" or "Lots" shall mean lots created by Subdivision Plat No. 2007-03751, Deschutes County, Oregon, contained within the American Lane Business Park, described on *Exhibit A*.

Section 1.04 The term "Manager" shall mean the person appointed by the majority of the Owners, who is responsible for maintaining the Common Area and collecting assessments from the Owners.

Section 1.05 The term "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot, or a purchaser in possession under a land sale contract. The foregoing does not include persons or entities, who may hold an interest in the Lots merely as security for the performance of an obligation.

Section 1.06 The term "Park" shall mean all Lots created by Subdivision Plat No. 2007-03751.

SECTION 2 EASEMENTS

- Section 2.01 The Owners grant each to the other the following cross access and circulation easements, which are both specifically and generally indicated on Exhibit "B" attached hereto the ("Various Easements"), it being understood and agreed that all utilities provided for in these easements shall be underground only.
- Section 2.02 Nonexclusive easements appurtenant to the Lots for the purpose of access for vehicles of Authorized Users; limited, however, for purposes connected with or incidental to any use being made of any portion of the Owner's property. The access easements are easements on the portion of the Lots that are Common Area.
- Section 2.03 The Owners agree that at all times free access between the Lots and the remainder of the Park shall not be impeded and shall be maintained.
- Section 2.04 No rights, privileges, easements granted or reserved herein, shall be merged into the title of any property, including without limitation, this subdivision, but shall be held independent of such title, and no such right or privilege or easement shall be surrendered, conveyed or released, unless and until and except by delivery of a quitclaim deed from American Lane Investors, LLC releasing such right, privilege or easement by express reference thereto.

SECTION 3 REPAIRS AND MAINTENANCE

Section 3.01 Each of the Owners of Lots 3-8 and Lots 14-20 in American Lane Business Park agree to share prorata the costs of the maintenance and repair of the above described Common Area to standards existing at the time of signature of this Agreement or such other standard as shall be agreed to by a majority of the Owners. The Owner of each Lot shall be responsible for their share of the costs of maintenance and repair based on the total number of square feet in their Lot subject to this Agreement compared to the total square footage of all Lots within the Park. Any damage caused by the negligence or intentional act of an Owner or Owner's Authorized Users shall be repaired by the Owner at such Owner's sole cost and expense. In the event a Lot has a condominium on it, the condominium owner's association will be responsible for the payment of assessments.

Section 3.02 In order to facilitate payment of each prorata share of the maintenance and repair costs, the Manager shall prepare a budget each year for the anticipated expenses of maintenance and repair, and shall include reasonable costs for snow removal. The budgeted amount shall be divided according to the square footage of each Lot subject to this Agreement. The payment shall then be due and payable quarterly. The percentage ownership is attached hereto as Exhibit "C" and incorporated herein by reference.

Section 3.03 The Common Area shall be maintained in its current condition, i.e., asphalt paving, concrete sidewalks. Notwithstanding anything contained in this Agreement, it shall require unanimous consent of the Owners to increase the amount of Common Area.

SECTION 4 MANAGER

Section 4.01 A majority of the Owners shall appoint a Manager whose responsibility will be to maintain and repair the Common Area and to collect the assessments for the maintenance and repair of the Common Area from the Owners. The total number of votes entitled to be cast for the Manager's position shall be based upon the total number of Lots which are subject to this Agreement. Each Lot Owner shall have the right to cast one vote for each Lot owned. In the event that a Lot has a condominium on it, the condominium association shall determine the Lot's one vote.

Section 4.02 The initial Manager shall be Cascade Business Group. The term of the Manager shall be three (3) years, unless terminated earlier by a majority vote of the Owners.

Section 4.03 The Manager shall have the right to enter into an agreement with a third party to provide management services such as recordkeeping, billing and preparing an annual budget.

Section 4.04 The Manager shall have the right to impose an assessment against each Owner in an amount necessary to provide for the repair and maintenance of the Common Area. The assessments shall commence upon a certificate of occupancy being issued for each property. The assessments shall include the costs of annual maintenance and repair, costs of snow removal and the imposition of a reserve fund for the long term repair and replacement of the Common Area. These assessments shall be paid on a quarterly basis, payable on the first day of the month with respect to which they are imposed. The Manager shall keep all monies which are collected from assessments in a separate interest bearing bank account to be called the "Maintenance Fund" and shall use the monies in the Maintenance Fund only for the purposes specified herein.

Section 4.05 In the event of a dispute under Sections 3 and/or 4 of this Agreement the Owners agree to submit the dispute to binding arbitration in Deschutes County, Oregon under the Oregon statutory procedure. Each Owner agrees to defend, indemnify and hold harmless said Manager from his activities as Manager, so long as they have been performed in good faith.

SECTION 5 DEFAULT AND PAYMENT OF MAINTENANCE ASSESSMENTS

Each maintenance assessment shall be a separate, distinct and personal debt and obligation of the Owner against whom the maintenance assessment is levied. If the Owner fails to pay any assessment when due, the Owner shall be in default and the assessment or charge not paid, together with interest thereon at the rate of 12 percent and costs and attorney's fees as provided for herein, shall become a lien upon the Owner's Lot, upon the filing by the Manager in the Official Records of Deschutes County, Oregon, a notice of lien setting forth the amount due and the description of the property against which the lien is imposed. Such lien shall not take affect until notice thereof has been so filed. Such lien shall be subordinate to any lien of any mortgage upon any Owner which is accepted in good faith and for value and which was recorded prior to the filing of the notice of lien. The Manager may commence proceedings to foreclose any such lien in the same manner as real property mortgages at any time within three years following the date of such filing.

SECTION 6 EXPENSES AND ATTORNEY'S FEES

In the event that the Manager or any Owner shall bring any arbitration, suit or action to enforce any provision contained in this Agreement, or to collect any money due hereunder or to foreclose a lien, the losing party in such suit or action shall pay to the prevailing party all costs and expenses which the prevailing shall incur in connection with such arbitration, suit or action, including a foreclosure title report, and such amount as the arbitrator or court may determine to be reasonable as attorney's fees therein, including attorney's fees in connection with any appeal from a decision of the arbitrator, trial court or an intermediate appellate court.

SECTION 7 NONEXCLUSIVENESS AND ACCUMULATION OF REMEDIES

Election by the Manager or any Owner to pursue any remedy provided for the violation of any provision of this Agreement shall not prevent concurrent or subsequent exercise of another remedy permitted thereunder or which is permitted by law. The remedies provided in this Agreement are not intended to be exclusive but shall be in addition to all other remedies, including actions for damages or suits for injunctions or for specific performance available under applicable law.

SECTION 8 DURATION, AMENDMENT DURATION

This Agreement shall be perpetual and may not be modified or amended, in any respect whatsoever, or terminated or rescinded, in whole or in part, except be a written instrument duly recorded in the Official Records of Deschutes County, Oregon, and executed by all of the Owners. Notwithstanding the foregoing, however, American Lane Investors, LLC reserves the right without the consent of any other person, including any other Owner, to amend this Agreement (i) to correct, clarify, complete or make minor changes to legal descriptions or the site plan; (ii) to correct obvious technical or typographical errors or omissions; or, (iii) to

conform to any requirements of the City of Bend or Deschutes County incident to development of the Park. If American Lane Investors, LLC, in its sole discretion, determines that it is necessary to amend this Agreement, for the above-stated reasons, then American Lane Investors, LLC, on behalf of itself and each and every Owner hereto, is hereby authorized to execute the required amendment or amendments and record it or them in the Official Records of Deschutes County, Oregon.

SECTION 9 NOT A PUBLIC DEDICATION

Nothing contained in this Agreement will be deemed to be a gift or dedication of any portion of the Park to the general public or for the general public or for any public purpose whatsoever, it being the intention of the Owners that this Agreement will be strictly limited to and for the purpose expressed herein.

SECTION 10 SEVERABILITY

If any clause, sentence, or other portion of the terms, conditions, covenants and restrictions of this Agreement become illegal, null or void for any reason, or be held by any court of competent jurisdiction to be so, the remaining portions will remain in full force and effect.

SECTION 11 RUNS WITH LAND, SUCCESSORS

Section 11.01 The covenants, conditions, restrictions, easements and reservations granted, reserved and declared in this Agreement shall run with the land constituting the Park, and shall inure to the benefit of and be binding upon the Lots described on Exhibit "A" and their respective Owner(s).

Section 11.02 All terms and conditions set forth in this Agreement shall inure to the benefit and be binding upon the Owners hereto and their successors and assigns; provided, however, that if any Owner sells all of its interest in the Park, such Owner shall thereupon be released and discharged from any and all obligations as an Owner arising out of this Agreement after recording in the Official Records of Deschutes County, Oregon, the instrument of conveyance to the new record Owner.

IN WITNESS WHEREOF, the American Lane Investors, LLC has executed this Reciprocal Easement and Maintenance Agreement on the 5 day of JANVAN 2..., 2007.

AMERICAN LANE INVESTORS, LLC

Bv:

Kirk Johansen Its: Manager

5 - Reciprocal Easement and Maintenance Agreement 13631-001 314v4.doc

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 5 day of 79n44/, 2007, by Kirk Johansen who stated that he is the manager of American Lane Investors, LLC and acknowledged that he is authorized to execute the foregoing instrument on behalf of the company.

Notary Public for Oregon My Commission Expires: 6

OFFICIAL SEAL
MIKE LUCE
NOTARY PUBLIC-OREGON
COMMISSION NO. 391792
MY COMMISSION EXPIRES JUNE 13, 2009

EXHIBIT A

Legal Description:

Subdivision Plat No. 2007-03751, Deschutes County, Oregon also known as Lots 3-8 and Lots 14-20 in American Lane Business Park, Phases II and III.

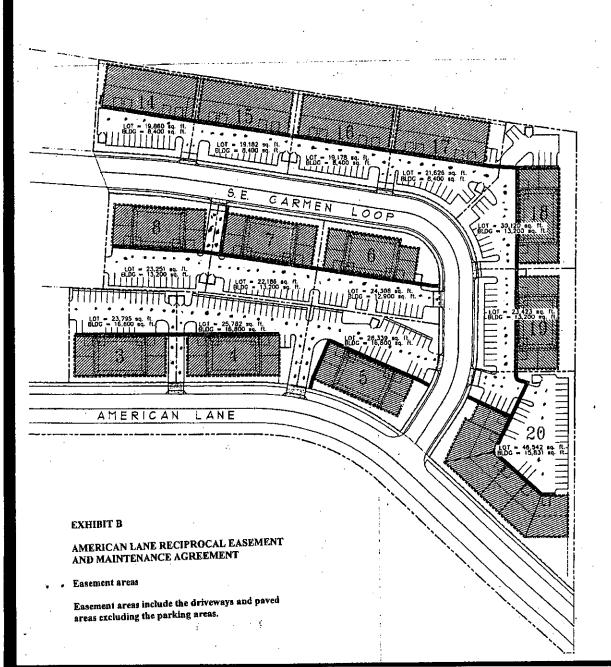


EXHIBIT C
PERCENTAGE OF TOTAL COST ASSESSMENT DUE FROM EACH LOT

LOT#	LOT SIZE (SQ. FT.)	PERCENTAGE OF COST
3	23,795	7.376
<u>J</u>	25,782	7.992
5	23,339	7.235
6	24,308	7.535
7	22,186	6.877
8	23,251	7.208
14	19,860	6.156
15	19,182	5.946
16	19,178	5.945
17	21,626	6.704
18	30,120	9.337
19	23,423	7.261
20	46,542	14.428