89-31660

DECLARATION FOR SUNRIVER BUSINESS PARK

This Declaration is made this 1st day of September, 1989, by the undersigned owners of certain real property located in the Business Park Subdivision, Sunriver, Deschutes County, Oregon.

WHEREAS, the undersigned being all of the owners of the real property known as Business Park Subdivision, Sunriver, Deschutes County, Oregon, desire to subject said property to certain covenants and conditions as set forth herein for the purpose of creating a non-profit corporation to be known as Sunriver Business Park Association, Inc. for the purpose of road maintenance and repair of all roads within the Business Park, Sunriver, Deschutes County, Oregon.

NOW, THEREFORE, the undersigned owners hereby declare that all of the property is and shall be held and conveyed upon and be subject to the easements, conditions and covenants hereinafter set forth. These easements, covenants and restrictions constitute covenants to run to the land and shall be binding upon all persons having any right, title or interest in the described property or in any part thereof, their heirs, successors and assigns and shall inure to each present and future owner thereof.

ARTICLE I. DEFINITIONS

Whenever used in this Declaration, the following terms shall have the following meaning:

1. "Association" shall mean the Sunriver Business Park Association, Inc., a non-profit corporation organized under the laws of the State of Oregon, its successors and assigns.

2. "Lot" shall mean all lots within the Business Park Subdivision, Deschutes County, Oregon.

3. "Members" shall mean all of the owners who are members of the Association.

4. "Owner" shall mean the record owner whether one or more persons or entities of fee simple title to any lot situated upon said property or a contract purchaser if the record owner retains title merely to secure an obligation. Owner does not include those having any interest merely as security for the performance of an obligation.

5. "The Property" shall mean and refer to the above described real property.

ARTICLE II. MEMBERSHIP AND VOTING

2.1 MEMBERSHIP: Each owner, which is subject by covenants of record to assessment by the Association, shall be a member of the Association. Any owner of any fractional interest in any lot shall also be entitled to membership in the Association. Membership shall terminate upon the transfer of the fee simple title to a lot, or the contract purchaser's interest by a contract purchase.

2.2 VOTING RIGHTS. In the event a condominium unit owners association has been formed for an owners association for a planned unit development has been formed on any lot or portion thereof, the condominium unit owners association or owners association shall be entitled to cast the vote which corresponds with the lot, or portion thereof, for which the associations have been formed.

ARTICLE III. COVENANT FOR MAINTENANCE ASSESSMENT

3.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract of purchase therefor, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay the Association:

(a) Annual assessments or charges.

(b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property which each such easement is made until paid or foreclosed. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the successor in title unless expressly assumed by the successor. The Secretary of the Association may file liens against delinquent properties by recording a notice of delinquency in the appropriate county records.

3.2 PURPOSE AND AMOUNT OF ANNUAL ASSESSMENTS. Assessments may be levied by the Directors of the Association for the following purposes:

(a) The operation, maintenance and repair of the road system within the Business Park.

(b) Insurance and fire protection.

(c) Taxes.

(d) Administrative expenses.

(e) Collection costs.

(f) Legal and accounting expenses.

(g) Any other purpose declared appropriate by the Directors of the Association.

The Association shall establish a reserve account in order to accomplish the above purposes.

The first annual assessment will be levied in January, 1989, and will not exceed $ 30.00 per month per Lot. The first annual assessment will remain in effect until January 1990. Thereafter, the amount of the annual assessment will be determined by the Directors of the Association.

3.3 SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments specified above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement, except for repairs or replacements, any such assessment which exceeds $10,000.00 in cost shall require the affirmative vote of a two-thirds majority of the votes entitled to be cast voting in person or by proxy at a meeting duly called for this purpose after 30 days written notice. At the meeting the presence of members or of proxies entitled to cast 60 percent of all the votes shall constitute a quorum. If a quorum is not present in person or proxy, a new meeting may be called by the Directors.

3.4 UNIFORM RATE OF ASSESSMENT. Both annual and special assessments shall be charged a percentage of the total assessments which percentage shall equal the assessed value of each Lot, according to the Deschutes County Tax Assessor, as a percent of the entire assessed value of all Lots subject to this Declaration, and such assessments may be collected on an annual, quarterly or monthly basis at the discretion of the Directors.

In the event that any Lot, or fractional interest therein, shall not be subject to ad valorem real property tax assessments, such Lot, or fractional interest therein, shall be valued at its fair market value for the purpose of determining the appropriate rate of assessment pursuant to this section. In the event the Lot owner or the owner of a fractional interest therein and the Association cannot mutually agree upon a fair market value, the issue shall be submitted to binding arbitration. Each party shall select one arbitrator, who shall then select a third. Each arbitrator shall be experienced in commercial real estate values in the area. All costs of arbitration shall be borne by the Lot owner or any owner of a fractional interest therein. Fair market value shall be determined in accordance with the same formulas as would be applied by the Deschutes County Tax Assessor.

3.5 EFFECT OF NON-PAYMENT OF ASSESSMENTS AND REMEDIES OF ASSOCIATION. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of nine percent per annum. The Secretary of the Association shall file in the office of the Director of Records, County Clerk or appropriate recorder of conveyances of Deschutes County, State of Oregon, within 30 days after delinquency, a statement of the amount of any such charges or assessments, together with interest as aforesaid, which have become delinquent with respect to any Lot on said Property, and upon payment in full thereof, shall execute and file a proper release of the lien securing the same. The aggregate amount of such assessments, together with interest, costs and expenses and a reasonable attorney's fee for the filing and enforcement thereof, shall constitute a lien on the Lot, with interest to be fixed from the date the note of delinquency thereof is filed in the office of said Director of Records or County Clerk, or other appropriate recording office, until the same has been paid or released as herein provided. Such lien may be enforced by said Association in the manner provided by law with respect to liens upon real property. The Owner of said Property at the time said assessment is levied shall be personally liable for the expenses, costs, and disbursements, including reasonable attorney's fees of the Declarant or of the Association, as the case may be, of processing and, if necessary, enforcing such liens, all of which expenses, costs and disbursements and attorney's fees shall be secured by said lien, including fees on appeal, and such Owner at the time such assessment is levied, shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his building, Lot or building site.

3.6 SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be inferior, junior, and subordinate to the lien of all mortgages and trust deeds now or

hereafter placed upon said property or any part thereof. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage or trust deed, pursuant to a decree of foreclosure under this mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to amounts thereof which became due prior to such sale or transfer; and such lien shall attach to the net proceeds of sale, if any, remaining after such mortgages or other prior liens and charges have been satisfied. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IV. GENERAL PROVISIONS

4.1 ENFORCEMENT. The Association, or an Owner, or the Owner of any recorded mortgage upon any part of said Property, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Owner, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

4.2 SEVERABILITY. Invalidation of any one of these covenants or restrictions by judgment or court order shall in nowise affect any other provisions which shall remain in full force and effect.

4.3 TERMINATION. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of 30 years from the date this Declaration is recorded, after which time they will be automatically extended for successive periods of five years unless three-quarters of the members of the Association affirmatively vote to terminate this Declaration. Such termination will be perfected by the Secretary of the Association filing a certification of the vote in the appropriate records of Deschutes County, Oregon.

4.4 AMENDMENTS. Any of the covenants, conditions or restrictions of this Declaration except the easements herein granted may be amended by a vote amounting to two-thirds of the total votes entitled to be cast. The Amendment will be perfected by the Secretary of the Association filing a certification of the vote in the appropriate records of Deschutes County, Oregon.

4.5 NO RIGHT OF REVERSION. Nothing herein contained in this Declaration, or in any form of deed which may be used by

Declarant in selling said Property, or any part thereof, shall be deemed to revest or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions hereof.

4.6 BOOKS AND RECORDS. The books and records of the Association, upon demand, in writing, stating the purpose thereof, may be inspected by any Member, or his attorney or agent, for any proper purpose, at any reasonable time.

4.7 BENEFIT OF PROVISIONS; WAIVER. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by Declarant, the Association, and the Owner or Owners of any portion of said Property, and their heirs and assigns, and each of their legal representatives, and failure by Declarant or by the Association or by any of the Property Owners or their legal representatives, heirs, successors, or assigns, to enforce any of such conditions, restrictions or charges herein contained shall in no event be deemed a waiver of the right to do so.

IN WITNESS WHEREOF, the undersigned, the Owner of all said Property, has hereunto caused these presents to be executed this 1st day of September, 1989.

Sunriver Properties Oregon, Ltd.
Sunriver Properties Management, Inc.
Lot 5, Block 3,
Business Park II 9/21/89
Sunriver, Oregon

Lot 14, Block 2,
Business Park
Sunriver, Oregon

Lot 13, Block 2,
Business Park
Sunriver, Oregon

Lot 3, Block 1,
Business Park I
Sunriver, Oregon

SUNRAY INC
Lot 1, Block 3,
Business Park II
Sunriver, Oregon 9/22/89
Stand Lumber Co by

Lot 16, Block 2,
Business Park II
Sunriver, Oregon
Stand Lumber Co by

Lot 17, Block 2,
Business Park II
Sunriver, Oregon

and Sun Village Realty President Inc
Lot 1, Block 2,
Business Park II
Sunriver, Oregon

James M. Clum

Lot 1, Block 1,
Business Park 1
Sunriver, Oregon

Lot 15, Block 2,
Business Park II
Sunriver, Oregon

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 17th day of September, 1987, by Gary A. Fiebick VP Sunriver Properties Management, Inc., Attorney in Fact for Sunriver Properties Co.

Lee Engel
Notary Public for Oregon
My Commission Expires 5/9/92

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 22nd day of September, 1987, by Ed Willard, President, Sunray, I.

Gary A. Fiebick
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 22nd day of September, 1987, by Sidney Reynolds.

Gary A. Fiebick
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 23 day of September, 1987, by George Steiner, President, Steiner Lumber Co.

Lee Engel
Notary Public for Oregon
My Commission Expires 5/9/92

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 24 day of November, 1987, by Willard E. Hertzberg, Jr.

Lee Engel
Notary Public for Oregon
My Commission Expires 5/9/92

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 16th day of November, 1989, by Jim Montgomery, personally and as President of Sunvillage, Inc.

Gary A. Fitzik
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 16th day of November, 1989, by James M. Bairn

Gary A. Fitzik
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 20th day of November, 1989, by Thomas C. Bowers, individually, and as Trustee for Hazel Bowers and Herbert Bowers Trusts.

Gary A. Fitzik
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 27th day of November, 1989, by D. Riguelme.

Gary A. Fitzik
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 20th day of October, 1989, by Enrique Riguelme.

Gary A. Fitzik
Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County of _____, ss:
The foregoing instrument was acknowledged before me this ____ day of _____, 19___, by _____.

Notary Public for Oregon
My Commission Expires _____

Howard Ratzman
Lot 2, Block 1,
Business Park E
Sunriver, Oregon

Lot 6, Block 1,
Business Park E
Sunriver, Oregon

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 27th day of Nov, 1989, by Vicky R. Murphy.

Notary Public for Oregon
My Commission Expires 2-4-91

STATE OF OREGON, County of Deschutes, ss:
The foregoing instrument was acknowledged before me this 27th day of November, 1989, by L.A. Ludlow.

Notary Public for Oregon
My Commission Expires 3/14/93

STATE OF OREGON, County or _____, ss:
The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Notary Public for Oregon
My Commission Expires _____

STATE OF OREGON, County of _____, ss:
The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Notary Public for Oregon
My Commission Expires _____

STATE OF OREGON, County of _____, ss:
The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Notary Public for Oregon
My Commission Expires _____

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND RECORDER OF CONVEYANCES, IN AND FOR SAID COUNTY, DO HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS RECORDED THIS DAY:

89 NOV 28 PM 4:01

MARY SUE PENHOLLOW
COUNTY CLERK

BY _____ DEPUTY

NO. 89-31680 FEE 50

DESCHUTES COUNTY OFFICIAL RECORDS