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DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS FOR

FAIRHAVEN VISTA TOWNHOME PLANNED UNIT DEVELOPMENT

THIS DECLARATION is made this 13^{v1} day of March, 2007, by NICHOLS GROUP, LLC ("Declarant").

RECITALS:

Whereas, Declarant desires to record covenants, conditions and restrictions for the development of the Fairhaven Vista Townhome Planned Unit Development, as more particularly described as follows:

Phase IV, Lots 16, 17, 18, 19, 20, 21; Phase V and Phase VI of Fairhaven Vista

ARTICLE 1. DEFINITIONS

- 1.1 Articles. "Articles" shall mean the Articles of Incorporation of the Fairhaven Townhome Association, as amended from time to time.
- 1.2 Assessment. "Assessment" shall mean any assessment levied against one or more Owners by the Association for payment of expenses relating to the Property and shall include regular, special, and limited assessments as those terms are defined herein.
- 1.3 Association. "Association" means the nonprofit corporation to be formed to serve as an Owners' association as provided in Article 7 of this Declaration, and its successors and assigns.
 - 1.4 Board. "Board" shall mean the duly elected Board of Directors of the Association.
- 1.5 Building Lot. "Building Lot" shall mean a platted or partitioned lot within the Property.
 - 1.6 Building Structure. "Building Structure" shall mean a building structure which is

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FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON P.O. BOX 323 BEND, OR 97709 RECORDED BY FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON AS AN ACCOMODATION ONLY. NO LIABILITY IS ACCEPTED FOR THE CONDITION OF TITLE OR FOR THE VALITITY. SUFFICIENCY, OR EFFECT OF THIS DOCUMENT.

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comprised of one or more contiguous dwelling units constructed and located on Building Lots, including, without limitation, garage structures located on the same Building Lots, whether attached to or detached from the Building Structure.

- 1.7 Bylaws. "Bylaws" shall mean the Bylaws of the Association, as amended from time to time.
 - 1.8 Declarant. "Declarant" means Nichols Group, LLC, and its successors and assigns.
- 1.9 **Declarant Control.** The period of Declarant Control shall end one hundred and eighty days (180) after the Declarant has conveyed Building Lots representing fifty percent (50%) or more of the Building Lots in the planned community.
- 1.10 Improvement. "Improvement" shall mean every structure or improvement of any kind, including but not limited to a wall, driveway, storage shelter, patio, deck, or other product of construction efforts on or in respect to a Building Lot.
- 1.11 Landscaped Areas. "Landscaped Area" shall mean all portions of a Building Lot other than those portions (i) occupied by a Building Structure, (ii) patio, or (iii) containing paved driveways or walkways.
- 1.12 Lot. "Lot" means a numerically designated and platted lot within the Property, with the exception of any tract or lot marked on the plat as being common, a private drive or dedicated to the City of Redmond.
- 1.13 Mortgage. "Mortgage" means a mortgage or a deed of trust; "mortgagee" means a mortgagee or a beneficiary of a deed of trust; "mortgagor" means a mortgagor or a grantor a deed of trust.
- 1.14 ORS 94.550 et. seq. Planned Communities. This declaration shall be subject to the provisions of ORS 94.550 et. seq. "Planned Communities.
- 1.15 Owner. "Owner" means the person or persons, including Declarant, owning any Lot in the Property, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a lot. The rights, obligations and other status of being an Owner commence upon acquisition of the ownership of a Lot and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.
- 1.16 Plat. "Plat" shall mean the plat of Fairhaven Vista Townhome Planned Unit Development Phases as more particularly described as follows:

Phase IV, Lots 16, 17, 18, 19, 20, 21; Phase V and Phase VI of Fairhaven Vista

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- 1.17 The "Property" means the Development described in Section 2.1.
- 1.18 Regular Assessment. "Regular Assessment" shall mean an assessment by the Association against all Owners to provide for the payment of all estimated normal expenses of the Association for the performance of the Association's duties as provided in this Declaration.
- 1.19 **Special Assessment. "Special Assessment"** shall mean an assessment against all Owners in the event that the Regular Assessment for any particular year is or will become inadequate to meet the expenses of the Association.
- 1.20 "Sold" means that legal title has been conveyed or that a contract of sale has been executed under which the purchase has obtained the right to possession.
- 1.21 This "Declaration" means all of the easements, covenants, restrictions and charges set forth in this instrument, together with any rules or regulations promulgated pursuant to this instrument, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

ARTICLE 2. PROPERTY SUBJECT TO THESE COVENANTS

- 2.1 Subject Property Development. Declarant hereby declares that all the real property described below is owned and shall be owned, conveyed, hypothecated, encumbered, used, occupied and improved subject to this Declaration:
- 2.2 Purpose. The purpose of this Declaration is to provide for the exterior maintenance of the Building Structures to be constructed upon the Property, to provide for maintenance and repair of Landscaped Areas, to establish a Homeowners' Association, and to set forth other terms and conditions governing the use and enjoyment of the Property.
- 2.3 Declaration. Declarant hereby declares that the Property and all lots, parcels and portions thereof made subject to all of the conditions, covenants, restrictions, and provisions contained in this Declaration.
- 2.4 Limitations on Improvements. Declarant does not elect to limit Declarant's rights to add Improvements not described in this Declaration.
- 2.5 Annexation of Future Land Parcels. The Association may annex new land parcels into Fairhaven Vista pursuant to the provisions of this agreement. These annexed land parcels shall be governed by the same Articles, Bylaws, Covenants, Conditions and Restrictions as the existing land parcels.
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ARTICLE 3 ROADS, SIDEWALKS AND UTILITIES

- 3.1 Owner's Easements of Access. Subject to the provisions of this Article, every Owner of a Lot shall have a right of easement and enjoyment in and to the roads and sidewalks, and such easement shall be appurtenant to and shall pass with the title to any Lot.
- 3.2 Extent of Declarant's Rights. The rights and easements for use of the roads and sidewalks shall be subject to the following and all other provisions of this Declaration:
 - (a) Easements. Declarant grants to the Association for the benefit of the Association and all Owners of Lots within the Property the following easements over, under and upon the lots as shown in the PUD Master Plan.
 - (i) An easement on all lots for roads, sidewalks, trash receptacles, for underground installation and maintenance of electric, sewer, water, irrigation and other utility and other utility and communication lines and services installed by Declarant or with the approval of the Board of Directors of the Association and any such easement shown on any plat of the Property.
 - (ii) An easement for construction, maintenance, repair, grounds keeping and use of the roads, sidewalks and utilities.
 - (iii) Any utility easement as shown on the official plat.

Declarant or the Association may (and to the extent required by law, shall) grant or assign easements on all Common Areas to governmental entitles or other utilities performing utility services and to communications companies, and may grant free access over the Common Areas to police, fire and other public officials and to employees of utility companies, trash removal and communication companies serving the Property.

- (b) Limitation on Use. Use of the roads and sidewalks by the Owners shall be subject to the provisions of this Declaration and to the right of the Association to adopt, amend and to repeal rules and regulations in accordance with this Declaration. The rights and easements of enjoyment created hereby shall be subject to the following:
 - (i) Except for vehicles used for maintenance, no motorcycles, motor bikes or off-road vehicles of any type are allowed on the walkways.
 - (ii) No parking is allowed on the walkways or on the roads, unless specifically designated as a parking area.
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3.3 Easements Reserved by Declarant. So long as Declarant owns any Lot, Declarant reserves an easement over, under and across the road and sidewalk areas in order to carry out construction, sales and rental activities necessary or convenient for the development, sale or rental of Lots.

ARTICLE 4 PROPERTY RIGHTS IN LOTS

- 4.1 Use and Occupancy. The owner of a Lot in the Property shall be entitled to the exclusive use and benefit of such Lot, except as otherwise expressly provided in this Declaration, but the Lot shall be bound by and the Owner shall comply with the restrictions contained in Article 5, below, and all other provisions of this Declaration for the mutual benefit of all Owners.
- 4.2 Right of Entry. The Association and any person authorized by the Association may at any reasonable time, upon reasonable notice, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing the maintenance referred to in Article 8, below, and determining whether or not the Lot is then in compliance with this Declaration. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of such Lot.

ARTICLE 5. ARCHITECTURAL REVIEW COMMITTEE

5.1 Architectural Review. No alteration to the exterior of the Building Structures is permitted. No improvement, including but not limited to fences, storage buildings, patio trellis, or play structures shall be commenced, erected, placed, altered or maintained on any Building Lot until the design plans and specifications (including, without limitation, site plans, building plans (including elevations), grading plans, landscape plans, lighting plans, and color and/or material samples) showing the nature, shape, heights, materials, colors and proposed location of the Improvements have been submitted to and approved in writing by the Fairhaven Townhome ARC. Improvements shall be consistent with the Design Guidelines established by the ARC, as amended from time to time. It is the intent and purpose of this Declaration to achieve a high standard of quality of workmanship and materials and to assure harmony of external design with existing Improvements and location with respect to topography and finished grade elevations. The Architectural Committee shall consist of three people appointed by either the Client or the Board of Directors of the Association. All members of the Architectural Review Committee must be owners of property at Fairhaven Vista.

The criteria for architectural review may differ from those lots in Phase IV and those lots in Phases V and VI.

- 5.2 **Procedure.** In all cases, which require Fairhaven Townhome ARC approval or consent pursuant to this Declaration, the provisions of the Fairhaven Townhome Covenants Conditions and Restrictions shall apply. The procedure and specific requirements for Fairhaven Townhome ARC approval or consent may be set forth in Design Guidelines adopted from time to time by the Fairhaven Townhome ARC. The Fairhaven Townhome ARC may charge a reasonable
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fee to cover the cost of processing an application for its approval.

ARTICLE 6. USE RESTRICTIONS

Each owner shall comply with the following restrictions:

6.1 Land Use and Building Type.

- (a) Lots shall be used only for residential purposes.
- (b) No structures of a temporary or permanent character such as a trailer, recreational vehicle, tent, shack, garage, barn or other outbuildings shall be used on any Lot or Common Area at any time as a residence.
- (c) Exterior buildings except for enclosures for trash receptacles are not allowed. The design of the trash receptacles shall be first approved by the Board of Directors prior to placement.
- (d) Common areas shall only be used for the recreational purposes of residents and their guests.
- 6.2 Exterior Appearance. Each Owner shall maintain the exterior appearance of each Building in a neat and attractive condition.
- 6.3 Business and Commercial Uses. No commercial signage shall be allowed on the premises other than those allowed for the leasing and sale of a building within the development. No commercial activity inviting retail visitors shall be permitted. No daycare facilities, retirement centers, elder care facilities, convalescent facilities, handicap commercial facilities, halfway houses or dependence treatment centers shall be allowed within the development.

6.4 Parking.

- (a) Storage parking of boats, trailers, motorhomes, trucks (except pickups of 3/4 ton weight or less), truck campers, motorcycles, or other recreational vehicles or similar equipment and vehicles shall not be allowed on any part of the property or on public streets adjacent thereto, excepting only within areas designated for such purposes by the Board in accordance with the terms of this Declaration or within the confines of an enclosed garage or screened area, the plans of which comply with applicable ordinances, agreements, or land use approval and have been reviewed and approved by the Fairhaven Townhome ARC prior to construction, and no portion of the same may project beyond the screened area. Vehicles parked in authorized locations may not extend into unauthorized locations.
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- (b) Parking shall be permitted on the roads only in an area designated as a parking area or in a Lot's individual driveway. All other non-designated areas shall be kept free of parked vehicles for purposes of fire access.
- 6.5 Fences. No fences, other than that provided by Declarant, on the exterior boundary or at trash receptacles will be permitted within the development.
 - 6.6 Miscellaneous Outdoor Equipment, i.e., Antennas, Satelitte Dishes and Solar Collectors.
 - A. Approved installation locations shall in no way violate current FCC rules or regulations concerning said installation locations. The authority of the ARC in this matter shall be subject to any regulations issued by the Federal Communications Commission ("FCC") or any other applicable governmental authority.
 - B. Air conditioners, heat pumps and other service equipment are permitted outdoors, and must be screened from view from public rights of way. All screening must be approved in writing by the Fairhaven Townhome ARC. All exterior equipment such as, but not limited to, air conditioning or heating systems shall be sheltered, insulated or otherwise baffled as necessary to conform to City of Redmond noise standards.
 - C. No outdoor overhead electric or telecommunications wire, service drop, pole, tower, or other structure supporting such an overhead wire shall be erected, placed or maintained. All connections to TV cable, telephone, and electric service shall be underground.
 - D. No owner shall permit any vehicle, which is in an extreme state of disrepair to be abandoned or to remain parked upon any Building Lot for a period in excess of forty eight (48) hours. A vehicle shall be deemed in an "extreme state of disrepair" when the Board reasonably determines that its presence offends the occupants of the neighborhood. Should any owner fail to remove such vehicle within five (5) days following the date on which notice is mailed to such owner by the Association, the Association may have the vehicles removed from the property and charge the expense of such removal to the owner.
- 6.7 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, excepting only domestic dogs or cats and excepting caged pet birds kept within the dwelling Lot, provided such dogs, cats and pet birds are not permitted to run at large, are restrained by a leash and are not kept, bred, or raised for commercial purposes or in unreasonable numbers.
 - 6.8 Signs and Yard Decorations. The temporary display of a "For Sale" sign on a Lot,
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not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be within the front yard, or inside of a first floor, front, street facing window only of a residential Building Streuture. "For Rent" and/or "For Lease" signs are prohibited. The restrictions contained in this paragraph shall not prohibit the temporary placement of "political" signs on any Lot by the Owner or Occupant, or construction and marketing related signage by the Declarant or its contractors. No sign of any kind, other than Declarant's marketing signs or any Association signs for the common good of the Community, which have been previously approved by the Board of Directors, will be allowed on Common Areas. Yard decorations, such as concrete, fiberglass or plastic animals or birds, fountains, bird baths, sculptures or figurines in front or side yards which are visible from adjacent streets or public walkways are prohibited. Fountains and waterfalls may be approved by the ARC if they are an integral part of a landscape plan and submitted for review and approval in accordance with Article 5 herein.

- 6.9 Rubbish and Trash. No Lot, open space, street, sidewalk or other tract of land shall be used to dump trash, rubbish, yard debris, or dirt resulting from landscaping work. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal. Such containers shall be kept out of public view except on scheduled trash collection days.
- 6.10 Offensive or Unlawful Activities. No noxious or offensive activities shall be carried on in any Lot, or road or sidewalk areas nor shall anything be done or placed upon any Lot or Common area which interferes with or jeopardizes the enjoyment of other Lots, or which is a source of annoyance to residents. Lot occupants shall exercise extreme care not to make noises which may disturb other Lot occupants. No garage shall at anytime be used as a residence either temporarily or permanently or as a place for any commercial enterprise. No unlawful use shall be made of the Lot nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. No firearms shall be discharged.
- 6.11 Exterior Lighting or Noisemaking Devices. Except with the consent of the ARC, no exterior lighting or noisemaking devices shall be installed or maintained on any Lot, other than security and fire alarms. However, false alarms of security and fire systems will not be allowed to repeatedly occur. Seasonal holiday lighting and decorations are permissible if consistent with any applicable rules and regulations and if installed no more than thirty (30) days before the celebrated holiday, and removed within thirty (30) days after the celebrated holiday.
- 6.12 Yards, Windows, Decks, Porches and Outside Walls. In order to preserve the attractive appearance of the Property, the Association may regulate the nature of items which maybe placed in or on yards, windows, decks, entry porches, and the outside walls so as to be visible from public streets. Garments, rugs, laundry and other similar items may not be hung from windows, facades, porches or decks. Yards may not be used for the storage of excess furniture, play equipment or other objects which are, in the sole opinion of the Board of Directors of the Association, an eyesore.

- 6.13 Alterations. Owners are expressly prohibited from changing the exterior construction of a unit without Board approval for form, function and appearance. All exterior alterations must be approved in writing by the Fairhaven Townhome ARC.
- 6.14 Landscape. The Association will maintain all landscaping outside the fenced areas. The cost of said maintenance shall be assessed to each Lot Owner pursuant to the Bylaws and rules and regulations adopted by the Association.
- 6.15 Interior Walls. Each Owner shall ensure that the wall(s) separating such Owner's dwelling unit from other dwelling units within the same Building Structure are not punctured or otherwise breached by such Owner or Owner's lessees, invitees, contractors, or family members.
- 6.16 Association Rules and Regulations. In addition, the Association from time to time may adopt, modify or revoke such rules and regulations governing the conduct of persons and the operation and use of the Lots, and Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Association Board of Directors promptly to each Owner and shall binding upon all Owners and occupants of all Lots from the date of delivery. The method of adoption of such rules shall be as provided in the Bylaws of the Association.

ARTICLE 7 ASSOCIATION

Declarant shall organize an association of all of the Owners within the Property. Such Association, its successors and assigns, shall be organized under the name, "Fairhaven Townhome Association," or such similar name as Declarant shall designate, and shall have such property, powers and obligations as are set forth in this Declaration for the benefit of the Property and all Owners of property located therein.

- Association as a nonprofit corporation under the general nonprofit corporation laws of the State of Oregon. The Articles of Incorporation of the association shall provide for its perpetual existence, but in the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event, the assets of the Association shall be dedicated to a public body, or all of the Property, powers and obligations of the incorporated association existing thereupon shall automatically vest in a successor unincorporated nonprofit association. Such vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the Association as if they had been made to constitute the governing documents of the unincorporated association. The Association may not be dissolved unless such dissolution has been approved by Deschutes County following a public hearing.
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- 7.2 Membership. Every Owner of a Lot within the Property shall, immediately upon creation of the association and thereafter during the entire period of such Owner's ownership of one or more Lots within the Property, be a member of the Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate of acceptance of membership. The Owner of each Lot shall be entitled to one vote for said Lot.
- 7.3 **Powers and Obligations.** The Association shall have, exercise and perform all of the following powers, duties and obligations:
 - (a) The powers, duties and obligations granted to the Association by this Declaration.
 - (b) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.
 - (c) Any additional or different powers, duties and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to this Declaration or otherwise promoting the general benefit of the Owners within the Property.

The powers and obligations of the Association may from time to time be amended, repealed, enlarged or restricted by changes in this Declaration made in accordance with the provisions herein, accompanied by changes in the Articles of Incorporation or Bylaws of the Association made in accordance with such instruments and with the nonprofit corporation laws of the State of Oregon.

- 7.4 Specific Powers and Duties. The powers and duties of the Association shall include, without limitation, the following:
 - (a) Maintenance and Services. The Association shall provide maintenance and services for the Property as provided in Article 8 and other provisions of this Declaration.
 - (b) Insurance. The Association shall obtain and maintain in force policies of insurance as provided in this Declaration or the Bylaws of the Association, including but not limited to casualty insurance.
 - (c) Rulemaking. The Association shall make, establish, promulgate, amend and repeal Rules and Regulations as provided in Section 5.20 of this Declaration.
 - (d) Assessments. The Association shall adopt budgets and impose and collect assessments as provided in Article 9 of this Declaration.
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- (e) Enforcement. The Association shall perform such acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce the provisions of this Declaration and the Rules and Regulations adopted by the Association.
- (f) Employment of Agents, Advisers and Contractors. The Association, through its Board of Directors, may employ the services of any person or corporation as manager, hire employees to manage, conduct and perform the business, obligations and duties of the Association, employ professional counsel and obtain advice from such persons or firms or corporations such as, but not limited to, landscape architects, recreational experts, architects, planners, property managers, lawyers and accountants, and contract for or otherwise provide for all services necessary or convenient for the management, maintenance and operation of the Property.
- (g) Borrow Money, Hold Title and Make Conveyances. The Association may borrow and repay moneys for the purpose of maintaining and improving the roads, sidewalks, utilities and landscaped areas.
- (h) Create Classes of Service and Make Appropriate Charges. The Association may, in its sole discretion, create various classes of service and make appropriate Individual Assessments or charges therefor to the users of such services without being required to render such services to those of its members who do not assent to such charges. In addition, the Board of Directors shall have the right to discontinue any service upon nonpayment or to eliminate such service for which there is no demand or adequate funds to maintain the same. The delivery of domestic water service may be subject to the provisions of this section.
- (i) Implied Rights and Obligations. The Association may exercise any other right or privilege reasonably to be implied from the existence of any right or privilege expressly given to the Association under this Declaration or reasonably necessary to effectuate any such right or privilege.
- 7.5 Liability. A member of the Board of Directors or an officer of the Association shall not be liable to the Association or any member thereof for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for acts of gross negligence or intentional acts. In the event any member of the Board of Directors or any officer of the association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law.
- 7.6 Interim Board: Turnover Meeting. Declarant shall have the right to appoint an interim board of one to three directors, who shall serve as the Board of Directors of the Association
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until replaced by Declarant or their successors have been elected by the Owners at the turnover meeting described in Section 8.1. If the Declarant fails to call the turnover meeting as required by this section, any Owner or mortgagee of a Lot may call the meeting by giving notice as provided in the Bylaws.

ARTICLE 8 TRANSITIONAL ADVISORY COMMITTEE

- 8.1 Declarant shall form a Transitional Advisory Committee to provide for the transition of administrative control of the Association from Declarant to the Owners. Not later than the sixtieth (60th) day after Declarant has conveyed Building Lots representing seventy-five percent (75%) or more of the sold and closed units in the planned community other than to a successor to Declarant.
 - Declarant Failure to Call Meeting. Any Owner may call a meeting of Owners to select the Transitional Advisory Committee if Declarant fails to do so as provided above.
 - Owners' Failure to Select Members. Notwithstanding the (b) foregoing, if the Owners do not select members for the Transitional Advisory Committee as described above, Declarant shall have no further obligation to form the Transitional Advisory Committee.
 - (c) Turnover Meeting. Declarant shall call a meeting for the purpose of turning over administrative control of the Association from Declarant to the Owners within ninety (90) days after the expiration of the period of Declarant control. Declarant shall give notice of the meeting to each Owner as provided in the Bylaws. If the Declarant fails to call the turnover meeting as required by this section, any Owner or mortgagee of a Lot may call the meeting by giving notice as provided in the Bylaws.

ARTICLE 9 MAINTENANCE, SERVICES, CONDEMNATION, DAMAGE

- By the Association. The Association shall be responsible for maintenance of the exteriors of all Building Structures; maintenance and repair of all Landscaped Areas, sidewalks and common utilities.
 - Maintenance of the exteriors of Building Structures shall include the painting, staining, restaining, repairing, and replacing of all exterior surfaces; including siding, masonry, exterior trim features, and roofs (but excluding the repair and replacement of exterior doors, door sills and thresholds, windows, hose bibs, and garage doors); painting or staining of exterior window casements, sashes, frames; maintaining, repairing and
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replacing exterior lighting fixtures, exterior portions of chimneys, rain gutters, downspouts, sprinkler timing devices and those portions of the underground sprinkler system outside of fenced yards.

- (b) Maintenance of the Landscaped Areas (excluding the area within fenced yards) shall include, among other things, maintaining, repairing, and replacing grass, sod, trees, shrubs, and bushes in a neat, clean and attractive condition. Maintenance of sidewalks shall include snow removal.
- (c) The decision as to the nature and extent of maintenance that is required for a particular Building Structure and the timing of such maintenance shall be solely within the discretion of the Board. Any repair or replacement work that is required for a particular Building Structure, Landscaped Area, or underground sprinkler system as a result of accident, negligence or Act of God shall be the responsibility of the Owner(s), unless such damage was caused by an or omission of the Association or its agents or employees.

9.2 By the Owner. Owner's Maintenance Obligations.

- (a) All improvements upon any Lot, not maintained by the Association, shall at all times be maintained by the Owner in a clean and attractive condition, painted and in good repair, and such a fashion as not to create a hazard of any kind. Homes will be provided with exterior building and landscape maintenance as outlined elsewhere in this Declaration. However, Owners are responsible for maintenance, replacement, painting, repair and general upkeep of all exterior doors, including the garage door, and all windows, window screens and skylights. All work on such items is subject to ARC review and approval prior to commencement of work.
- In the event repair or replacement of the common foundations of a Building Structure or common firewall (which terms shall have the same meaning as party walls) of a Building Structure should become necessary or appropriate, then the Owners of the Homes within the Building Structure that required such repair or replacement shall be jointly responsible for such repair and/or replacement, and the Owners of such affected Homes shall share equally in the expense of such repair and replacement. In the even an Owner of an Home determines repair or replacement of the common foundations or common firewalls of a Building Structure is necessary or appropriate, that Owner shall notify the other Owners of the affected Homes within the building Structure of the need to perform such repair or replacement. If a majority of the Owners of the affected Homes within the Building Structure agree that such repair or replacement is necessary, they shall jointly cause such work to be performed, and each Owner of an affected Home shall pay an equal portion of the expense of such work. If an Owner of an affected Home determines repair or replacement of the common foundations or common firewalls of a building Structure is necessary or appropriate and a majority of the Owners of the other Homes affected or claim to be affected do not concur with such determination, then the Owners of the Homes

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affected (or claimed to be affected) shall mutually agree upon and retain a professional engineer licensed in the State of Oregon having at least five (5) years experience in such matters to inspect the common foundations or common firewalls, and such engineer shall make a determination as to whether such repair or replacement is required. The determination of such engineer shall be binding to the affected Owners, and all expenses and fees of the engineer and of the repair or replacement work required to be performed if any, shall be borne as provided in the Section. In the event the Owners of Homes so affected or claimed to be so affected cannot agree upo9n a professional engineer having the required qualifications within a 30-day period, then any of the affected Owners may make application to the ARC, which shall select such engineer having the requisite qualifications. The fees and expenses of the engineer shall be shared equally by the Owners of the Homes affected or claimed to be affected. In the event the Owner of an affected Home fails to contribute to the expense of the repair or replacement of the common foundation or common firewalls by thirty (30) days after written demand therefore, then the amount not paid or reimbursed, as well as interest thereon at the rate of twelve percent (12%) per annum from the date of such written demand shall become a charge and lien against the Owner of a Home failing to make such payment or reimbursement. Each Owner of Homes hall be deemed to have agreed by acceptance of a deed conveying the Home, that any such lien shall be effective without the necessity of obtaining the joinder of such Owner in the execution of any instrument, upon the filing by another Owner of an affected Home of a claim of lien in the Official Records of Deschutes County, Oregon.

- 9.3 Right of Maintenance and Entry by Association. If an Owner fails to perform maintenance and/or repair which he/she is obligated to perform pursuant to this Declaration for buildings or landscaping, and it the Board determines, after notice and a hearing (given pursuant to the provisions of the Bylaws), that such maintenance and/or repair is necessary to preserve the attractiveness, quality, nature and/or value of [project name], the Board may cause such maintenance and/or repair in connection therewith t be performed and may enter any such Lot whenever entry is necessary in connection with the performance of any maintenance or construction which the Board is authorized to undertake. Entry shall be made with a minimum of inconvenience to an Owner as practicable and only after advance written notice or not less than forty-eight (48) hours, except in emergency situations. Such right of maintenance shall include, but not be limited to, buildings, street trees and front and street-side yard landscape.
- 9.4 Utilities and Services. The Association shall be responsible for the building shell, snow removal and landscape maintenance (including water usage by a separate irrigation water meter) of the common areas but shall not be required to maintain those areas within the fenced areas of each unit.
- 9.5 Access at Reasonable Hours. For the purpose solely of performing the maintenance and services provided for in this Article 9, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner or Tenant, to enter upon any Lot or exterior of the dwelling thereof at reasonable hours.
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9.6 Damage or Destruction by Casualty. If, due to act or neglect of an Owner or a member of his or her family or his or her household pet or of a guest or other unauthorized occupant or visitor of such Owner, damage shall be caused to the roads, sidewalks, utilities and landscaped areas or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such Owner shall pay for such damage and such maintenance, repairs or replacements as may be determined by the Association, to the extent not covered by the Association's insurance, as an Individual Assessment.

ARTICLE 10. ASSESSMENTS

- 10.1 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and occupants of Fairhaven Townhome and for the improvement, operation and maintenance of the roads, sidewalks, utilities and landscaped areas and other areas to be maintained by the association.
- 10.2 **Types of Assessments.** The Association may levy Assessments, Special Assessments, Emergency Assessments and Individual Assessments, all as more particularly described below.
- Assessments, described in this Article 10, commencing upon the date such Lots are made subject to this Declaration.
- 10.4 Assessments. The Board of Directors of the Association shall from time to time and at least annually prepare an operating budget for the Association, taking into account the current costs of maintenance and services and future needs of the association, any previous over assessment and any common profits of the Association. The budget shall provide for such reserve or contingency funds as the board deems necessary or as may be required by law. Monthly Assessments for such operating expenses and reserves ("Assessments") shall then be apportioned among the Lots as provided in Section 10.3, above. The method of adoption of the budget and the manner of billing and collection of Assessments shall be as provided in the Bylaws.
- of Directors may levy during any fiscal year a Special Assessment ("Special Assessment"), applicable to that year only, for the purpose of deferring all or any part of the cost of any construction or reconstruction, unexpected repair, or acquisition or replacement of a described capital improvement, or for any other one-time expenditure not to be paid for out of Annual or Monthly Assessments. Special Assessments which in the aggregate in any fiscal year exceed an amount equal to fifteen percent (15%) of the budgeted gross expenses of the association for the fiscal year may be levied only if approved by a majority of the voting rights voting on such matter. Special Assessments shall be apportioned as provided in Section 10, above, and may be payable in lump sum or in installments, with or without interest or discount, as determined by the Board of
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Directors.

- 10.6 Utilities and Landscaped Areas. The cost of providing utilities and maintaining the exteriors of the buildings and landscaping shall be paid pursuant to monthly assessments from the Association. The utility and landscape maintenance assessment shall include an administrative fee to cover management and billing services. At its discretion, the Association may cause sub-meters for water, sewer other utilities to be installed and may have an outside entity invoice and collect charges associated with such service.
- become, inadequate to meet all expenses incurred under this Declaration for any reason, including nonpayment of any owner's assessments on a current basis, the Board of Directors of the Association shall immediately determine the approximate amount of such inadequacy and issue a supplemental budget noted as to the reason therefor, and levy an Emergency Assessment for the amount required to meet all such expenses on a current basis ("Emergency Assessment"). Any Emergency Assessment which in the aggregate in any fiscal year would exceed an amount equal to five percent (5%) of the budgeted gross expenses of the Association for the fiscal year may be levied only if approved by not less than a majority of the voting rights voting on such matter. Emergency Assessments shall be apportioned as set forth in Section 10.3, above, and payable as determined by the Board of Directors.
- lo.8 Individual Assessments. Any common expense or any part of a common expense benefitting fewer than all of the Lots may be assessed exclusively against the Lots benefitted ("Individual Assessment"). Individual Assessments include without limitation charges for services provided under Section 6.4(i). Individual Assessments shall also include default assessments levied against any Lot to reimburse the Association for costs incurred in bringing such Lot or its Owner into compliance with the provisions of this Declaration or the Rules and Regulations of the Association and for fines or other charges imposed pursuant to this Declaration for violation thereof. Unless otherwise provided by the Board of Directors, Individual Assessments shall be due thirty (30) days after the Board of Directors has given written notice thereof to the Owners subject to the Individual Assessments.
- 10.9 Annexation of Additional Property. When Additional Properties are annexed to the Property, the Lots included therein shall become subject to assessments from the date of such annexation. Lots owned by Declarant shall not be subject to assessments until the Unit located on such Lot is occupied for residential use. All other Lots shall pay such assessments in the amount then being paid by other Lots. The Board of Directors of the Association, however, at its option, may elect to recompute the budget based upon the additional Lots subject to assessment and additional Common Areas and recompute Assessments for all Lots, including the new Lots, for the balance of the fiscal year.
- 10.10 Operations Fund. The Association shall keep all funds received by it as Assessments, other than reserves described in Section 10.11, separate and apart from its other
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funds, in an account to be know as the "Operations Fund." The Association shall use such funds exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents within the Property and, in particular, for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and of the Lots situated upon the Property, including but not limited to:

- (a) Payment of the cost of maintenance, utilities and services as described in Article 8.
- (b) Payment of the cost of insurance as described in the Bylaws of the Association.
- (c) Payment of the cost of other services which the Association deems to be of general benefit to the Owners, including but not limited to accounting, legal, property management, and secretarial services.
- 10.11 Reserve Fund. The Declarant shall establish a reserve fund for replacement of those items to be maintained by the Association, all or a part of which will normally require replacement for more than three (3) and less than thirty (30) years ("Reserve Fund"). Such Reserve Fund shall be funded by that portion of Assessments representing the budgeted reserves. The amount assessed shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of such items. The Reserve Fund shall be established in the name of the Association and shall be adjusted at regular intervals to recognize changes in current replacement costs over time. The Reserve Fund shall be used only for replacement of common property as determined by the Board of Directors and shall be kept separate from the Operations Fund. After the turnover meeting described in Section 8, however, the Board of Directors may borrow funds from the Reserve Fund to meet high seasonal demands on the regular operating funds or to meet other temporary expenses which will later be paid from Assessments, Special Assessments, or Emergency Assessments. Nothing in this section shall prohibit prudent investment of the reserve account. Following the second year after the turnover meeting, future Assessments for the Reserve Fund may be reduced, eliminated or decreased by an affirmative vote of not less than seventy-five percent (75%) of the voting power of the Association. Assessments paid in the Reserve Fund are the property of the Association and are not refundable to sellers or Owners of Lots. Sellers of the Lots, however, may treat their outstanding share of the Reserve Fund as a separate item in any sales agreement.

The declarant may defer payment of accrued assessments for reserves for a lot subject to assessment until the date the lot is conveyed. However, the declarant may not defer payment of accrued assessments for reserves:

- (a) Beyond the date of the turnover meeting provided for in the bylaws; or
- (b) If a turnover meeting is not held, the date the owners assume

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administrative control of the association.

10.12 Creation of Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Property, does hereby covenant, and each Owner of any Lot by acceptance of a conveyance thereof, whether or not so expressed in any such conveyance, shall be deemed to covenant to pay to the Association all assessments or other charges as may be fixed, established, and collected from time to time in the manner provided in this Declaration or the Association Bylaws. Such assessments and charges, together with any interest, expenses or attorneys' fees imposed pursuant to Section 11.6, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment or charge is made. Such Assessments, charges and other costs shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment or charge fell due. Such liens and personal obligation shall be enforced in the manner set forth in Article 11, below.

ARTICLE 11 ENFORCEMENT

- 11.1 Violations. In the event any Owner shall violate any provision of this Declaration, the Bylaws of the Association, or other rules adopted by the Association governing the use of Common Areas then the Association, acting through its Board of Directors, shall notify the Owner in writing that the violations or nuisances exist, and that he is responsible for them and may, after reasonable notice and opportunity to be heard, do any or all of the following: (a) suspend his voting rights for the period of that the violations or nuisances remain unabated, or for any period not to exceed sixty (60) days for any infraction of its rules and regulations, (b) impose reasonable fines upon the Owner, in the manner and amount the Board deems appropriate in relation to the violation, which fines shall be paid into the Operations Fund, (c) if the Declarant fails to pay assessments for utilities for ninety (90) days, those services may be terminated upon proper notice, (d) deny access to recreational facilities and areas, or (e) bring suit or action against such Owner to enforce this Declaration. Nothing in this section, however, shall give the Association the right to deprive any Owner of access to and from his Lot.
- 11.2 Violation of General Protective Covenants. In the event any Owner constructs or permits to be constructed on his Lot an improvement contrary to the provisions of this Declaration, or causes or permits any improvement, activity, condition or nuisance contrary to the provisions of this Declaration to remain uncorrected or unabated on his Lot, then the Association acting through its Board of Directors shall notify the Owner in writing of any such specific violations of this Declaration and shall require the Owner to remedy or abate the same in order to bring his Lot, the improvements thereon and his use thereof, into conformance with this Declaration. If the Owner is unable, unwilling or refuses to comply with the Association's specific directive for remedy or abatement, or the Owner and the Association cannot agree to a mutually acceptable solution within the framework and intent of this Declaration, after notice and opportunity to be heard and within sixty (60) days of written notice to the Owner, then the association acting through its Board of Directors shall have the right to do any or all of the following:
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- (a) Impose reasonable fines against such Owner in the manner and amount the Board deems appropriate in relation to the violation;
- (b) Enter the offending Lot and remove the cause of such violation, or alter, repair or change the item which is in violation of this Declaration in such a manner as to make it conform thereto, in which case the Association may assess such Owner for the entire cost of the work done, which amount shall be payable to the Operations Fund, provided that no items of construction shall be altered or demolished in the absence of judicial proceedings; or
- (c) Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration.
- 11.3 Default in Payment of Assessments: Enforcement of Lien. If an assessment or other charge levied under this Declaration is not paid within thirty (30) days of its due date, such assessment or charge shall become delinquent and shall bear interest from the due date of the rate set forth below. In such event, the Association may exercise any or all of the following remedies:
 - (a) The Association may suspend such Owner's voting rights until such amounts plus other charges under this Declaration are paid in full and may declare all remaining periodic installments of any annual assessment immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from his Lot.
 - (b) The Association shall have a lien against each Lot any assessment levied against the Lot and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Lot from the date on which the assessment, fine or charge is due. The provisions regarding the attachment, notice, recordation and duration of liens established on real property under ORS 94.704 to 94.716, as the same may be amended, shall apply to the Association's lien. The lien shall be foreclosed in accordance with the provisions regarding the foreclosure of liens under ORS Chapter 88. The Association, through its duly authorized agents, may bid on the Lot at such foreclosure sale, and may acquire and hold, lease, mortgage and convey the Lot.
 - (c) The Association may bring an action to recover a money judgment for unpaid assessments, fines and charges under this Declaration without foreclosing or waiving the lien described in paragraph (b) above. Recovery on any such action, however, shall operate to satisfy the lien, or the portion thereof, for which recovery is made.
 - (d) The Association shall have any other remedy available to it by law or in equity.

- 11.4 Notification of First Mortgagee. The Board of Directors shall notify any first mortgagee of any individual Lot of any default in performance of this Declaration by the Lot Owner which is not cured within sixty (60) days.
- provided for in this Declaration shall be subordinate to the lien of any mortgage or deed of trust on such Lot which was made in good faith and for value and which was recorded prior to the recordation of the notice of lien. Sale or transfer of any Lot shall not affect the assessment lien, but the sale or transfer of any Lot which is subject to any mortgage or deed of trust pursuant to a decree of foreclosure thereunder or any deed or proceeding, deed or assignment in lieu of foreclosure shall extinguish any lien of an assessment notice of which was recorded after the recording of the mortgage or trust deed. Such sale or transfer, however, shall not release the Lot from liability for any assessments or charges thereafter becoming due or from the lien of such assessments or charges.
- when due in accordance with this Declaration shall bear interest from the due date until paid at a rate of one-and-one-half percent (1-1/2%) per month (18% per annum), or such other rate as may be established by the Board of Directors, but not to exceed the lawful rate of interest under the laws of the State of Oregon. A late charge may be charged for each delinquent assessment in an amount established from time to time by resolution fo the Board of Directors of the Association not to exceed fifteen percent (15%) of such assessment. In the event the Association shall file a notice of lien, the lien amount shall also include the recording fees associated with filing the notice and a fee for preparing the notice of lien established from time to time by resolution of the Board of Directors of the Association. In the event the Association shall bring any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the Owner-defendant shall pay to the Association all cost and expenses incurred by it in connection with such suit or action, including a foreclosure title report, and the prevailing party in such suit or action shall recover such amount as the court may determine to be reasonable attorney's fees at trial and upon any appeal or petition for review thereof.
- Association to pursue any remedy provided for violation of this Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted hereunder. The remedies provided in this Declaration are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law to the Association. In addition, any aggrieved Owner may bring an action against another Owner or the Association to recover damages or to enjoin, abate or remedy any violation of this Declaration by appropriate legal proceedings. In any proceeding brought to enforce the terms of this Declaration, the prevailing party shall be entitled to recover their reasonable attorneys fees at trial or on appeal.

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ARTICLE 12 MORTGAGEES

- 12.1 Reimbursement of First Mortgagees. First mortgagees of buildings may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Areas or any Lot. First mortgagees making such payments shall be owed reimbursement therefor from the Association.
- 12.2 Right of First Mortgagees Relating to Maintenance. At any time that the roads, sidewalks, utilities and landscaped areas are not maintained or repaired by the association pursuant to Article 9 to the extent reasonably necessary to protect and preserve the value of the Property for security purposes, then the record mortgagee, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the Owner as a member of the Association to vote at all regular and special meetings of the members of the Association for a period of one (1) year following the date of such notice. During this one (1) year period, the association shall give notice of all regular and special meetings to both the Owner and the mortgagee, and the Owner may attend such meetings as an observer. Notice from the mortgagee under this section shall quote this Section 12.2, and shall be sent postage prepaid by certified United States mail, return receipt requested, to the Owner with a copy by regular mail to the Association at the last known address of each.

ARTICLE 13 MISCELLANEOUS PROVISIONS

- 13.1 Amendment and Repeal. This Declaration, or any provision thereof, as from time to time in effect with respect to all or any part of the Property, may be amended or repealed by the vote or written consent of Owners owning not less than seventy-five percent (75%) of the Lots in the Property, if such membership has not been terminated as provided herein. Any such amendment or repeal shall become effective only upon recordation in the Deed Records of Deschutes County, Oregon, of a certificate of the president or secretary of the Association setting forth in full the amendment, amendments or repeal so approved and certifying that said amendment, amendments or repeal have been approved in the manner required by this Declaration. In no event shall an amendment under this section create, limit or diminish special Declarant rights, increase the number of Lots or change the boundaries of any Lot or any uses to which any Lot is restricted unless the Owners of the affected Lots unanimously consent to the amendment. Such amendment or repeal shall not have the effect of denying any Owner access to his Lot unless such Owner and any mortgagee of such Lot have consented thereto. Any provisions must meet applicable planning and zoning requirements and ORS Chapter 92 requirements.
- 13.2 Regulatory Amendments. Notwithstanding the provisions of Section 13.1, above, Declarant shall have the right to amend this Declaration or the Bylaws of the Association in order to comply with the requirements of the Federal Housing Administration, the U.S. Department of Housing and Urban Development, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National
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Mortgage Association, the Federal Home Loan Mortgage Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon which insures, guarantees or provides financing for a planned community or lots in a planned community.

- Duration. This Declaration shall run with the land and shall be and remain in full force and effect at all times with respect to all property included within the Property and the Owners thereof for an initial period of thirty (30) years commencing with the date on which this document is recorded. Thereafter, this Declaration shall continue to run with the land and be and remain in full force and effect at all times with respect to all property within the Property and the Owners thereof for successive additional periods of ten (10) years each. The continuation from the initial or any additional period into the next subsequent period shall be automatic and without the necessity of any notice, consent or other action whatsoever; provided, however, that this Declaration may be terminated at the end of the initial or any additional period by resolution approved not less than six (6) months prior to the intended termination date by the vote or written consent of Owners owning not less than seventy-five percent (75%) of the Lots within the Property. Any such termination shall become effective only if a certificate of the President or Secretary of the Association. certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the Deed Records of Deschutes County, Oregon, not less than six (6) months prior to the intended termination date. Such termination shall not have the effect of denying any Owner access to his Lot unless such Owner and any mortgagee of such Lot have consent to such termination.
- 13.4 **Joint Owners.** In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility, and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Association, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter.
- 13.5 Lessees and Other Invitees. Lessees, invitees, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvement or enjoyment of his unit and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner himself. All leases must be on not less than a month-to-month tenancy basis.
- 13.6 Enforcement. The Association, or any Owner or the owner of any recorded mortgage on 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
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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.

13.7 Construction; Severability; Number; Caption. This Declaration shall be liberally construed as an entire document to accomplish the purposes thereof as stated in the introductory paragraphs hereof. Nevertheless, each provision of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

As used herein, the singular shall include the plural and the plural the singular, and the masculine, feminine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration.

13.8 Notices and Other Documents. Any notice of other document permitted or required by this Declaration may be delivered either personally or by mail. Delivery by mail shall be deemed made twenty-four (24) hours after having been deposited in the United States mail, with postage prepaid.

IN WITNESS WHEREOF, Declarant has executed this First Amendment of the Declaration as of the date first above written.

NICHOUS GROUP, L.C., an Oregon limited liability company.

STATE OF OREGON)

) ss:

County of Deschutes)

Acknowledged before me by: S. Skutur this 13 day of March, 2007

NOTARY PUBLIC FOR OREGON

OFFICIAL SEAL
S. STEWART
NOTARY PUBLIC-OREGON
OOMMISSION NO. 390908
MY COMMISSION EXPIRES MARCH 21, 2009

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