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RECORDED DOCUMENT

STATE OF OREGON
COUNTY OF DESCHUTES

I hereby certify that the attached instrument was received and duly recorded in Deschutes County records:

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Mary Sue Penhollow

MARY SUE PENHOLLOW
DESCHUTES COUNTY CLERK



86-
99-17916-1

**DECLARATION SUBMITTING
FULL MOON VIEW, CONDOMINIUM
TO CONDOMINIUM OWNERSHIP**

WHEREAS, the undersigned Declarant desires to submit the property described in this Declaration, together with all improvements now existing or hereafter to be constructed thereon, to the provisions, restrictions and limitations of the Oregon Condominium Act, ORS 100.005 through ORS 100.990.

NOW, THEREFORE, it is declared as follows:

SECTION 1. DEFINITIONS.

As used herein, the term

a. "Association of Unit Owners" means all the unit owners acting as a group through an unincorporated association in accordance with this Declaration and the By-laws of the Association of Unit Owners.

b. "Common Expenses" means expenses of administration, maintenance, repair or replacement of the common elements, including deposits in the working capital fund and reserve fund, together with such expenses agreed upon as common by the Association of Unit Owners in the manner provided in the By-laws.

c. "Eligible Mortgage Holder" means a holder of a first mortgage on a unit who has requested notice of certain matters from the Association of Unit Owners in accordance with Section 803.08M of the FNMA Conventional Home Mortgage Selling Contract Supplement.

d. "Manager" means the person or firm hired by the board of directors of the Association of Unit Owners to be in charge of the administration of and to manage the property.

e. "Plan of Development" means the plan pursuant to which this stage, together with additional stages encompassing a total of not more than 12 units, is proposed to be constructed and included in the Condominium.

f. "Property" means the land, all buildings, improvements and structures thereon and all easements, rights and appurtenances belonging thereto which are hereby submitted to the provisions of the Oregon Condominium Act.

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SECTION 2. NAME OF THE PROPERTY.

The property subject to this Declaration shall be known by the name of Full Moon View, Condominium.

SECTION 3. DESCRIPTION OF THE PROPERTY.

This Declaration submits to the provisions, restrictions and limitations of the Oregon Condominium Act, the land owned in fee simple and described on Exhibit "A", attached hereto, together with the units described and all other improvements now existing or to be constructed on such land, which together shall constitute the Plan of Development of Full Moon View, Condominium.

SECTION 4. GENERAL DESCRIPTION OF THE UNITS.

There shall be a total in all stages of not more than 12 units. Stage I shall consist of five (5) units. The units in Stage I shall be situated in two (2) structures, which shall be two-story wood frame structures. The dividing walls between adjoining outdoor covered decks are not part of the units. The unit designation, description, location and approximate area of the units in Stage I are indicated on the plat recorded simultaneously with this Declaration. The units shall be bounded by the undecorated surface of the interior perimeter walls, floors and ceilings, exclusive of any common elements. All doors, door frames, windows, window frames, and nonloadbearing walls within a unit are part of the unit.

Units 1 and 2 are located in one building, located on the southerly half of the property. They are two stories in construction. Each unit contains 589 square feet on the first floor. The second floor contains 605 square feet. Units 3, 4 and 5 are located in one structure on the northerly half of the property. The building is two stories in construction. Each unit contains 579 square feet on the first floor and 479 square feet on the second floor for units 3 and 5 (2 bedrooms). Unit 4 has 605 square feet on the second floor (3 bedroom).

SECTION 5. COMMON ELEMENTS.

a. The general common elements shall consist of all portions of the property not part of a unit or a limited common element, including all the above-described land; all foundations, columns, girders, beams and supports; fireplace chimneys except for fireplace chimney flues; all stairs and corridors, except stairs within units having more than one story; all exterior walls of the buildings in which the units are situated and all walls and partitions separating units from other units or stairs, together with the dividing walls between adjoining outdoor covered decks; parking areas, driveways, walkways, landscaping, recreational and other facilities, and utilities and all the appurtenances thereto.

b. The limited common elements shall consist of covered patios and decks attached to individual units, including the railings thereof, but not the dividing walls between adjoining decks or fireplace chimney flues, and the covered storage area for each unit, of which shall be appurtenant to the units which they are designated to serve as shown on the plat recorded simultaneously with this Declaration.

SECTION 6. PERCENTAGE OF INTEREST IN COMMON ELEMENTS.

Each unit in Full Moon View Condominium, Stage 1, shall have an equal 1/5th interest in the common elements. If additional units are added to the Condominium, they shall also have an equal interest in the common elements up to an equal 1/12th interest in the common elements. Interests in common elements are to be allocated to units on an equal basis. Such undivided interest in the common elements shall not be separated from the unit to which it appertains and shall be conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

The common elements shall remain undivided, and no unit owner may bring any action for partition or division of any part thereof while the property is subject to this Declaration. Any covenant to the contrary is void.

SECTION 7. OWNERSHIP TO BE FEE SIMPLE.

Each individual unit, together with its undivided interest in the common elements shall be owned in fee simple by the unit owner and may be individually conveyed and encumbered and be the subject of ownership, possession, sale or other disposition as though it were solely and entirely independent of the other units, and the individual titles and interest shall be recordable. Each unit owner shall be entitled to the exclusive ownership, possession and enjoyment of his unit.

SECTION 8. TAXATION OF UNITS.

Each unit, with its allocation of undivided interest in the common elements shall be considered a parcel of real property subject to separate assessment and taxation by any taxing unit in like manner as other parcels of real property as required by ORS 100.555. The common elements shall not be considered a parcel for purposes of taxation.

SECTION 9. VOTING RIGHTS.

One vote shall be allocated to each unit.

SECTION 10. ASSOCIATION OF UNIT OWNERS.

a. Organization: Adoption of Bylaws. Upon the execution and recording of this Declaration, the Association shall be organized to serve as a means through which the unit owners may take action with regard to the administration, management and operation of the condominium. Declarant shall simultaneously adopt and record Bylaws for the Association.

b. Membership: Board of Directors. Each unit owner shall be a member of the Association, and membership therein shall be limited to unit owners only. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.

c. Powers and Duties of the Association. The Association shall have such powers and duties as may be granted to it by the Oregon Condominium Act, together with such additional powers and duties contained in this Declaration and the Bylaws.

d. Declarant Control of Association: Interim Board of Directors. Declarant will appoint an interim Board of Directors for the Association. Declarant hereby reserves the right to control the Association until the earlier of (a) the date of conveyance to persons other than Declarant of seventy-five percent (75%) of the units which Declarant may submit to this Condominium, under ORS 100.125; or (b) seven years from the date the first unit is conveyed. Accordingly, upon the recording of the Declaration and Bylaws, the interim directors shall serve until the turnover meeting is held as provided in the Bylaws.

e. Management Agreements, Contracts and Leases. The Board of Directors, including the interim Board of Directors, shall have the right to contract with a professional Manager or management firm to manage the affairs of the Association. However, if entered into prior to the turnover meeting of the condominium, no management agreement, service contract or employment contract which is directly made by or on behalf of the Association, the Board of Directors or the unit owners as a group shall be in excess of three years and any such agreement may be terminated without penalty by the Association or the Board of Directors upon not less than thirty (30) days written notice to the other party given not later than sixty (60) days after the turnover meeting.

SECTION 11. MAINTENANCE, IMPROVEMENT AND INTENDED USE OF UNITS.

A. Subject to ORS 100.535, a unit owner shall make no repair or alteration or perform any other work on the owner's unit, including but not limited to any exterior maintenance, landscaping, exterior changes or additions, or which would jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement or hereditament, unless the consent of the board of directors and the consent of all other unit owners affected is first obtained. The units are intended to be used as residential living quarters.

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- B. Signs. No signs can be displayed to public view on or from any lot, except Habitat Business Partners signs, which will remain until the last unit is complete.
- C. Livestock, Poultry, Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except for dogs, cats and other domestic household pets, provided that they are not kept, bred or maintained for any commercial purposes.
- D. Dog Houses. Dog houses must be built in a style that compliments Full Moon View Condominium, as approved by the Board of Directors.
- E. Firearms and Related Activity. No firearms, crossbow, bow and arrow, or air gun, including BB-type or pellet-type guns, whether for purposes of hunting or target practice, may be used within Full Moon View Condominium.
- F. Children's Play Area. Play areas are limited to yards and common elements. Common elements are to be shared equally by all lot owners and their families. No structures are to be erected on common elements unless approved by the Board of Directors. Parents are responsible for the destructive activity of their children on or to any property in Full Moon View Condominium, including common elements and neighboring lots.
- G. Fences. Fences may be built according to fence designs approved by the Board, no higher than five feet (5'), adjacent to and part of any deck of any unit, and will be limited common elements. Plans must be submitted to the Board of Directors 30 days before the intended date of construction and approved before construction begins.
- H. Trash Cans. Trash cans are to be stored in storage units. Trash cans may be placed on the street no sooner than 5:00 p.m. the night before pickup and left out no later than 8:00 p.m. on the day of pickup.
- I. Landscaping. Maintaining the landscaping of the General Common Elements will be the responsibility of all Full Moon View Condominium Association.
- J. Lighting. Front and back porch and parking lot lighting is provided. No additional lighting may be added.

SECTION 12. USE AND MAINTENANCE OF COMMON ELEMENTS

Each unit owner may use the common elements in accordance with the purposes for which they are intended, but may not hinder or encroach upon the lawful rights of the other unit owners.

The necessary work to maintain, repair or replace the common elements and additions or improvements to the common elements shall be the responsibility of the Association of Unit Owners

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and shall be carried out as provided in the By-laws; provided, however, that it shall be the responsibility of each unit owner to maintain the inside of the chimney flue serving his unit and to keep the flue free of any unreasonable accumulation of soot, ash and other residue. If the mortgagee of any unit owner determines that the Association of Unit Owners is not providing an adequate maintenance, repair and replacement program for the project, such mortgagee, at its option, may deliver a written notice to the Association of Unit Owners by delivering the same to the registered agent, required pursuant to ORS 100.105(j), setting forth the particular defects which it believes exist in the maintenance, repair and replacement program. If the specified defects are not corrected within 90 days subsequent to the receipt of such notice, then, and in that event, the mortgagee upon written notice to the registered agent that he is exercising its proxy rights thereafter shall have the right to attend succeeding annual or special meetings of the Association of Unit Owners. At such meetings it shall have the right to cast a vote, for each unit on which it holds a mortgage lien, on all business coming before such meeting, which said proxy right shall continue until the defects listed on the aforementioned notice are corrected.

The Association of Unit Owners shall have the right, to be exercised by the board of directors, or the manager employed by the board of directors, to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, to make emergency repairs therein necessary for the public safety, to prevent damage to the common elements or to another unit, or to abate any nuisance existing in any unit.

An initial operating fund shall be established for the initial months of the Property operation equal to at least a two months' estimated common expense charge for each unit. Each unit's share of the working capital fund shall be collected and transferred to the Association of Unit Owners at the time of closing of the sale of each unit and maintained in a segregated account for the use and benefit of the Association of Unit Owners. The purpose of the fund is to ensure that the Association of Unit Owners will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the board of directors. Amounts paid into the working capital fund shall not be considered as advance payments of regular assessments.

SECTION 13. MANAGEMENT OF AFFAIRS OF ASSOCIATION OF UNIT OWNERS.

Subsequent to the turnover meeting to be held in accordance with the By-laws, the affairs of the Association of Unit Owners shall be managed by a board of directors and by officers consisting of a Chairman, a Secretary and a Treasurer. Prior to the turnover meeting, the affairs of the Association of Unit Owners shall be managed by Declarant as provided in Section 28. The board of directors shall adopt administrative rules and regulations governing the details of the operation, maintenance and use of the Property and to prevent unreasonable interference with the use of the respective units and of the common elements by the several unit owners. The board of directors may retain an individual or firm to act as manager of the Property. Any such agreement shall provide for a term of three years and may be terminated, with or without cause, upon 90 days' notice to all parties affected.

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SECTION 14. ADOPTION OF BY-LAWS.

The undersigned owner of the Property, subject to this Declaration, will adopt By-laws pursuant to the requirements of the Oregon Condominium Act, to govern the administration of the Property.

SECTION 15. COMPLIANCE WITH BY-LAWS AND OTHER RESTRICTIONS.

Each unit owner shall comply with the By-laws and with the administrative rules and regulations adopted pursuant thereto and with the covenants, conditions and restrictions in this Declaration or in the deed to his unit. Failure to comply therewith shall be grounds for an action maintainable by the Association of Unit Owners or by an aggrieved unit owner, in addition to other sanctions which may be provided by the By-laws or by the administrative rules and regulations. Unit owners shall have similar rights of action against the Association of Unit Owners.

SECTION 16. PERSON TO RECEIVE SERVICE OF PROCESS IN CERTAIN CASES.

Service of process in any action relating to the common elements or to more than one unit in cases provided in subsection (1) of ORS 100.550 shall be made upon: Bend Area Habitat for Humanity, or the designated agent named in the Condominium Information Report which will be filed with the Real Estate Agency in accordance with ORS 100.250(1).

SECTION 17. EASEMENTS AND OTHER INTERESTS.

The Association of Unit Owners, pursuant to ORS 100.405(5), has the authority to execute, acknowledge, deliver and record on behalf of the unit owners, permits, easements, rights-of-way, licenses and other similar interests affecting the general common elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the property. The granting of any interest pursuant to this Section 17 shall be first approved by at least 75 percent of the unit owners. The instrument granting an interest pursuant to this Section 17 shall be executed and acknowledged by the Chairman and Secretary and shall state that such granting was approved by at least 75 percent of the unit owners.

SECTION 18. APPORTIONMENT OF RECEIPTS AND EXPENSES.

The receipts of the property shall be attributed to and the common expenses shall be charged to the unit owners, including the Declarant, according to their respective interests in the common elements. However, no receipts or profits shall be distributed among the unit owners, but shall be used solely for purposes of maintaining, repairing and replacing the common elements or other expenses of the association. Monthly assessments shall be used for common expenses as described in the Bylaws. A portion of the assessments shall be segregated in a reserve account for replacement of those common elements, all or part of which will normally require replacement in more than three

and less than 30 years. Assessments shall be used solely for the purposes of maintaining, repairing and replacing the common elements or other expenses of the Association. Assessments shall first commence upon the conveyance of the first unit. Unsold units which are unoccupied may, for a period no longer than 60 days after conveyance of the first unit in the stage in which the unsold unit is included, be accorded a reasonably reduced assessment. Receipts by unit owners for rental of their unit shall not constitute common receipts. No unit owner may exempt himself from liability for the owner's contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of the owner's unit.

SECTION 19. LIEN OF ASSOCIATION AGAINST UNIT.

The board of directors shall have the authority and the duty to levy and enforce the collection of general and special assessments for Common Expenses. Whenever the Association of Unit Owners levies any assessment for common expenses against a unit, the Association of Unit Owners, upon complying with this section, shall have a lien upon the individual unit and the undivided interest in the common elements appertaining to such unit for the reasonable value of such common expenses allocable to such unit and for any unpaid assessments and interest as provided in ORS 100.450(2)(b), plus costs and reasonable attorneys' fees, and the lien shall be prior to all other liens or encumbrances upon the unit, except:

- a. Tax and public improvement assessment liens, and
- b. A first mortgage or trust deed of record.

Each assessment shall be a separate and personal debt and obligation of the unit owner against whom the same is assessed at the time the assessment fell due and shall be collectible as such. Such personal obligation shall not pass to successors in title unless assumed by them or required by law. The board of directors shall cause to be filed a notice of lien claim pursuant to ORS 100.450 with respect to any assessment which has not been paid within 30 days from the mailing of the notice of assessment. The notice of lien claim shall be filed within 10 days following the expiration of such 30 day period. The Association of Unit Owners shall be entitled to recover, in any suit to foreclose or action to recover a money judgment for unpaid common expenses, interest on the delinquent assessment at the rate of ten percent per annum and costs, including reasonable attorneys' fees in such suit or action, or any appeal therefrom.

A lien for common expense assessments shall not be affected by any sale or transfer of a unit, except that a sale or transfer pursuant to a foreclosure of a first mortgage or trust deed shall extinguish a subordinate lien for assessments which become payable prior to such sale or transfer. Any such delinquent assessments which were extinguished pursuant to the foregoing provision may be reallocated and assessed to all units as a common expense. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a unit from liability for, nor the unit from the lien of, an assessment made thereafter.

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In case of foreclosure, the unit owner shall be required to pay a reasonable rental for the unit; and the plaintiff in the foreclosure suit shall be entitled to the appointment of a receiver to collect the rental, without regard to the value of the security. An action to recover a money judgment, together with reasonable attorneys' fees for unpaid common expenses, may be maintained without foreclosing or waiving the lien securing the claim for common proceeds.

SECTION 20. POWER OF PROPERTY MANAGER TO BID AT FORECLOSURE SALE.

In any suit to foreclose a lien of the Association of Unit Owners against a unit, the board of directors or the manager, acting on behalf of the unit owners, shall have power to bid on the unit at the foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. The board of directors or the manager, acting on behalf of the unit owners, is prohibited from bidding on or otherwise acquiring a unit in any other foreclosure suit.

SECTION 21. INSURANCE.

The Association of Unit Owners, by and through the board of directors, shall obtain and keep in effect at all times insurance coverage as specified in the By-laws.

The board of directors shall not be responsible for procuring fire and extended coverage insurance covering the furniture, fixtures, equipment or contents located in the individual units.

The insurance obtained by the Association of Unit Owners, by and through the board of directors, as required by this section shall be a common expense.

SECTION 22. DAMAGE OR DESTRUCTION.

If one or more of the buildings within the property are damaged, destroyed or partially condemned, the board of directors shall immediately proceed to rebuild and restore the building or buildings so damaged, destroyed or partially condemned so that the same will be returned to substantially the same condition in which the building or buildings existed prior to such damage, destruction or partial condemnation. Each unit and the general and limited common elements shall have substantially the same vertical and horizontal boundaries as before, unless at least 90 percent of all the unit owners, plus Eligible Mortgage Holders holding mortgages on at least 51 percent of the units which are subject to Eligible Mortgage Holder mortgages, agree that the property shall not be rebuilt and restored. If the property is to be rebuilt and restored and the insurance proceeds be insufficient to rebuild and restore, the unit owners shall be liable for assessment for any deficiency as a common expense. If 90 percent of all the unit owners agree that the property shall not be rebuilt or restored, the property shall be considered removed from the provisions of the Oregon Condominium Act in accordance with ORS 100.605. Any election to terminate the legal status of the Property after substantial destruction or a substantial taking in condemnation of the Property shall require the approval of Eligible Mortgage Holders holding mortgages on at least 51 percent of

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units subject to Eligible Mortgage Holder mortgages.

The Association of Unit Owners, through a trustee appointed for such purpose, shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements or part thereof. In the event of a taking or acquisition of part or all of the common elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association of Unit Owners, or any trustee, for the use and benefit of the unit owners and their mortgagees as their interests may appear.

Upon written request to the Association of Unit Owners, identifying the name and address of the Eligible Mortgage Holder, insurer or guarantor and the unit number or address, any such Eligible Mortgage Holder or eligible insurer or guarantor shall be entitled to timely written notice of:

- a. Any condemnation loss or any casualty loss which affects a material portion of the Property or any unit on which there is a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or eligible insurer or guarantor, as applicable;
- b. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or eligible insurer or guarantor, which remains uncured for a period of 60 days;
- c. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association of Unit Owners; or
- d. Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified herein.

SECTION 23. EASEMENTS FOR ENCROACHMENT.

If any part of the common elements now or hereafter encroaches upon any unit or if any unit now or hereafter encroaches upon any other unit or upon any portion of the common elements, an easement for such encroachment and the maintenance thereof, as long as it continues, shall exist. In the event a unit or a building containing units shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any unit, any unit upon any other unit, or upon any portion of the common elements due to the construction shall be permitted as set forth in ORS 100.520; and easements for such encroachments and the maintenance thereof shall exist.

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SECTION 24. MORTGAGE PROTECTION.

The liens created hereunder upon any unit shall be subject to and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage or deed of trust (meaning a mortgage with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Section 19 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as unit owner after the date of such foreclosure sale, which said lien, if any is claimed, shall have the same effect and be enforced in the same manner as provided herein.

No amendment to this section shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

SECTION 25. LIMITS ON USE OF UNITS AND COMMON ELEMENTS.

Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance on the project without the prior written consent of the board of directors. No owner shall permit anything to be done or kept in his unit which will result in the cancellation of the insurance on any part of the project. The board of directors shall have the power to adopt rules and regulations for use of the common elements and there shall be no violation of such rules.

SECTION 26. PLAN OF DEVELOPMENT.

The Plan of Development for the property includes a maximum of 12 units to be developed in not more than five stages. Each stage will include additional and adjacent land. Upon annexation, a supplemental declaration for the stage and a plat thereof shall be recorded. The right to annex additional Property will expire on five years from the date of recording this Declaration.

The minimum allocation of undivided interests in the common elements to each unit in Full Moon View, Condominium upon completion of development, if Declarant elects to proceed with all stages of development, will be 1/12th. The allocation of undivided interests in the common elements to each unit at each stage of development will be a fraction, the numerator of which shall be one and the denominator of which shall be the total number of units submitted to the provisions of the Oregon Condominium Act. All intended improvements in future stages shall be consistent with initial improvements in terms of quality of construction and shall be substantially completed prior to annexation. Assessments and votes appurtenant to each annexed unit shall become effective on the filing of a supplemental declaration covering such unit, which shall not occur until the substantial completion of such unit. All taxes and other assessments relating to Property in later stages, covering any period prior to the addition of such Property, shall be paid or otherwise satisfactorily provided for by the Declarant.

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SECTION 27. APPORTIONING COMMON EXPENSES FOR ADDITIONAL STAGES.

As the additional stages are substantially completed pursuant to the Plan of Development, the Common expenses for such additional stage or stages as defined in Section 14 of the By-laws shall be added to the Common Expenses then existing for unit owners of the Property. The owners of each unit, including those units contained in the additional stage or stages, shall be liable for and pay a share of the total Common Expenses in proportion to their interest in the common elements, including the common elements added by the additional stage or stages. Each existing unit owner shall, by power of attorney, authorize the Declarant to make adjustments in the undivided interest of the unit owners in the common elements. In the event that a stage or stages are submitted to the provisions hereof during the Association of Unit Owners' fiscal year, the Common Expenses shall be adjusted on the basis of the period of time that the owners of units in such additional stage or stages shall be members of the Association of Unit Owners. The voting rights appurtenant to each unit added according to the Plan of development shall become effective on the filing of a supplemental declaration covering such unit, which shall not occur until the substantial completion of such unit.

SECTION 28. ADMINISTRATIVE CONTROL.

Until the date of conveyance, to persons other than Declarant, of 75 percent of the units to be annexed under ORS 100.125, Declarant may submit, in accordance with the provisions thereof, or until five years following conveyance of the first unit:

- a. Declarant may appoint and remove officers and members of the board of directors of the Association of Unit Owners;
- b. Declarant shall have three votes with respect to each unit owned by it, notwithstanding the provisions of Section 9;
- c. Declarant shall have the right to exercise all the powers of the board of directors under this Declaration and the Oregon Condominium Act, except that Declarant may not bind the Association of Unit Owners, prior to passage of control, either directly or indirectly to contracts or leases, including a management contract, unless the Association of Unit Owners is provided with a right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after transfer of control, upon not more than 90 days' notice to the other party thereto;
- d. This Declaration and the By-laws shall not be amended without Declarant's consent; and

e. Declarant shall have the right to occupy the common elements in connection with its construction activities so long as such activities do not unreasonably interfere with use of the common elements by other unit owners.

SECTION 29. AMENDMENT.

Except as otherwise provided in the Oregon Condominium Act, no amendment may change the allocation of undivided interest in the common elements, method of determining liability for common expenses, right to common profits or voting rights of any unit as expressed in this Declaration unless such amendment has been approved by the owners of the affected units, and such unit owners shall record an amendment to this Declaration setting forth the altered percentage of each unit owner having an interest and the amendment is approved by the Real Estate Commissioner if required by law.

This Declaration may not be amended to diminish any special declarant right without the prior written consent of Declarant.

Except as hereinabove provided, this Declaration may be amended consistent with the provisions of the Oregon Condominium Act by the affirmative vote of 75 percent of the voting rights at the annual meeting of the Association of Unit Owners, or at any special meeting called for such purpose, or by written proxy or written consent of 75 percent of the voting rights. Such amendment shall be effective upon the recordation of an instrument executed and acknowledged by the Chairman and Secretary of the Association of Unit Owners with the Deschutes County Recording Officer, setting forth such amendment in full and the amendment is approved by the Real Estate Commissioner if required by law.

In addition to the above requirements and except for amendments to this Declaration or the By-laws or termination of the Property made as a result of destruction, damage or condemnation pursuant to Section 22 herein or to a reallocation of interests in the common elements which occur pursuant to the Plan of Development, the approval of Eligible Mortgage Holders holding mortgages on at least 67 percent of units subject to Eligible Mortgage Holder mortgages shall be required to terminate the legal status of the Property as a condominium or to add or amend any material provisions of the Declaration or By-laws which establish, provide for, govern or regulate any of the following: voting; assessments, assessment liens or subordination of such liens; reserves for maintenance, repair and replacement of the common elements (or units if applicable); insurance or fidelity bonds; rights to use of the common elements; responsibility for maintenance and repair of the several portions of the Property; expansion or contraction of the Property or the addition, annexation or withdrawal of real or personal property to or from the Property; boundaries of any unit; the interests in the general or limited common elements; convertibility of units into common elements or of common elements into units; leasing of units; imposition of any right of first refusal or similar restriction on the right of a unit owner to sell, transfer or otherwise convey his or her unit; and any provisions which are for the express benefit of mortgage holders, Eligible Mortgage Holders

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or eligible insurers or guarantors of first mortgages on units.

For purposes of the foregoing paragraph, an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. An Eligible Mortgage Holder who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within 30 days shall be deemed to have approved such request.

SECTION 30. TIME SHARE PLAN.

No unit shall be used in connection with a time share plan as that term is defined in the Administrative Rules of the Oregon Real Estate Commissioner or in the statutes of the state of Oregon. The creation of a time share plan involving any portion of the Property is prohibited.

IN WITNESS WHEREOF the undersigned has executed this Declaration this 19th day of NOVEMBER, 1998.

BEND AREA HABITAT FOR HUMANITY,
INC., an Oregon non-profit corporation,

By: Peggy D Corbett
Its: Treasurer

STATE OF OREGON, County of Deschutes, ss:

Personally appeared the within-named PEGGY D. CORBET, who being first duly sworn, did say that he is the TREASURER of Bend Area Habitat for Humanity, Inc., the corporation hereinabove named, that said instrument was executed in behalf of said corporation by authority of its board of directors, and the execution of said instrument was his voluntary act and deed. Before me this 19 day of NOVEMBER, 1998.



Lisa M Baker
Notary Public for Oregon
My Commission Expires: 8/26/00

14 - CONDOMINIUM DECLARATION (rsf:habit001.003)

99-17916-15

Don Howell by Helen J. J. J. J.
COUNTY ASSESSOR

Marty Wynne

By Bruce Bontsky
COUNTY TAX COLLECTOR

The foregoing Declaration is approved pursuant to ORS 100.110 this 23rd day of March, 1999 and in accordance with ORS 100.110(2), this approval shall automatically expire if this Declaration is not recorded within two (2) years from this date.

SCOTT W. TAYLOR
Real Estate Commissioner

By: Marge Robinson
Marge Robinson

15 - CONDOMINIUM DECLARATION (rsl:habit001.003)

99-17916-16

EXHIBIT "A"

Lots Five (5), Six (6) and Seven (7), and the North 12.50' of Lot 4, in Block One (1) of Full Moon Estates Phase 1, City of Bend, Deschutes County, Oregon, being described as follows:

Beginning at the Initial Point, being a 5/8 inch iron rod with cap marked "OMAN PLS 702" at the Northwest corner of Lot 7, Full Moon Estates Phase 1; thence along the North boundary of said Lot 7, South 89 degrees 46' 34" East 99.72 feet to the Northeast corner of said Lot 7; thence along the East boundary of the Full Moon Estates Phase 1, South 00 degrees 09' 52" West 162.49 feet; thence North 89 degrees 38' 16" West 99.53 feet to the East Right-of-Way of Full Moon Drive; thence along said Right-of-Way, North 00 degrees 05' 51" East 162.25 feet to the Initial Point.

Containing 16,176 square feet, more or less.