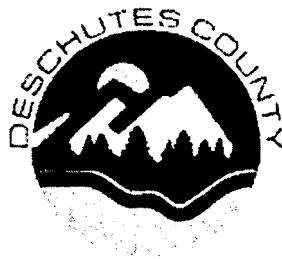




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Deschutes County Clerk

Certificate Page



If this instrument is being re-recorded, please complete the following statement, in accordance with ORS 205.244:

Re-recorded to correct [give reason] _____
previously recorded in Book _____ and Page _____,
or as Fee Number _____.

16

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND RECIPROCAL EASEMENT AGREEMENT

PACIFIC WESTERN HOMES, INC., an Oregon private corporation, being the owner ("Owner")of all that real property shown on the plat of Julina Park subdivision, described as lots 1 – 76 and Tract A of Julina Park, do hereby subject the following described real property located within Julina Park to the terms, covenants, conditions and restrictions as imposed by this Agreement:

Lots 21 – 27, plat of Julina Park, City of Redmond, Deschutes County, Oregon.

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1. **ACCESSWAY.** The "Accessway" is the private driveway improvement, which is not a public road. The Accessway consists of curbed asphalt pavement area as depicted on the private driveway plan and profile, sheet 9 of the Improvement Plans for Julina Park by Pinnacle Engineering dated April 4, 2006, approved by the City of Redmond. It shall be maintained to City of Redmond's private road standards.

2. **REPAIRS AND MAINTENANCE.**

(a) Each owner of each legal lot of record subject to this agreement shall be responsible for and shall pay according this agreement their prorata share of the costs of all maintenance and repair of the above-described Accessway as required to maintain the Accessway to the standards of the City of Redmond applicable to private road improvements as exist or as may be reasonably amended or adopted. Pursuant to this agreement, each owner of each subject lot shall be responsible for payment of their pro-rata share of the costs of maintenance and repair based on the total number of Lots subject to this agreement.

(b) In order to facilitate payment of each pro-rata share of the maintenance and repair costs, the Manager under this agreement shall prepare a budget each year for the anticipated expenses of maintenance and repair, snow removal, administrative expenses and parking enforcement, including signage and towing. The total budgeted amount shall be divided equally among each lot subject to this agreement. The payment of this assessment shall then be due and payable annually.

(1) At time of closing of transfer by Owner of each lot subject to this agreement, \$150 shall be collected by Escrow and placed into an account as first year assessment hereunder. This assessment is in addition to any assessments imposed by Julina Park Homeowners Association.

(c) The Accessway shall at all times be maintained in such condition required to meet City of Redmond's standards and specifications for a private road and as required by the fire department to facilitate emergency access along the Accessway.

3. **RECIPROCAL EASEMENTS & EMERGENCY ACCESS EASEMENT.** Each owner of a lot that is property subject to this agreement as described above grants to every owner of each legal lot of record of the remaining six lots subject to this agreement a separate and perpetual access easement, as depicted on the plat of Julina Park, which are reciprocal nonexclusive easements appurtenant to each owner's lot for the purpose of furnishing access and the right of access between the Accessway and the lots subject to this agreement.

Recorded by Western Title as a
accommodation only. No liability
accepted for condition of title or
validity, sufficiency or affect of
document.

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4. In addition the above reciprocal easements, a perpetual easement is hereby granted in favor of the City of Redmond for emergency access along the entirety of the Accessway.

PARKING RESTRICTION. No parking of motor vehicles, trailers, boats or campers shall be allowed within the Accessway. The Accessway shall be posted with signs stating the parking prohibition. Any party may enforce the parking restriction by contacting the Manager or designated management agency, who shall contract with a towing company to provide towing services.

6. **MANAGER.**

- (a) The Manager shall have the right to impose an assessment against each owner of property subject to this agreement, as described above. These assessments shall be paid on a yearly basis, mailed to each lot owner and shall be due within 30 days of mailing. The Manager shall keep all monies which are collected from such assessments, to be kept in a separate fund designated to be designated as the "maintenance fund" and shall use the monies in the maintenance fund only for the purposes specified in this section. The initial Manager shall be owner Pacific Western Homes, Inc., shall act as Manager. When owner Pacific Western Homes, Inc., has sold more than 50% of the number of lots within the property subject to this agreement, as described above being lots 21 – 27, the Initial Manager may resign or the owners may replace the Initial Manager pursuant to following paragraph (b).
- (b) A majority of the owners who vote shall appoint a Manager whose responsibility will be to perform the tasks required in Section 2(b) and collect the assessments. Each party to this agreement agrees to indemnify and hold harmless the Initial Manager and any successor to Initial Manager from his or her activities as Manager, so long as they have performed such activities and Manager duties in good faith. The total number of votes entitled to be cast for the Manager's position shall be based upon the total number of lots which are subject to this agreement. Each lot owner shall have the right to cast one vote for each lot owned.
- (c) The Initial Manager or any successor to the initial Manager, may hire a professional to perform the Manager duties herein.

7. **DEFAULT AND PAYMENT OF ASSESSMENTS.** Each assessment under this agreement shall be a separate, distinct and personal debt and obligation of the owner against whom the assessment is levied or imposed or from whom the amount is due. If any owner assessed fails to pay any assessment or charge thereof when due, such owner shall be in default and the assessment or charge not paid, together with interest at the rate of 12 percent and costs and attorney's fees as provided for herein, shall become a lien upon the property owned by the person from whom such assessment is due upon the filing by the Manager in the official records of Deschutes County, Oregon, a notice of lien setting forth the amount due and the description of the property against which the liens is imposed. Such lien shall be subordinate to any lien or any mortgage upon any owner which is accepted in good faith and for value and which was recorded prior to the filing of the notice of lien hereunder. The Manager may commence proceedings to foreclose any such lien in the same manner as real property mortgages at any time within three years following the date of such filing.

8. **EXPENSES AND ATTORNEY FEES.** In the event that the Manager shall bring any suit or action to enforce any provision contained in this agreement to collect any money due hereunder or to foreclose a lien, the defendant in such suit or action shall pay to the Manager all costs and expenses which the Manager shall incur in connection with such suite or action, including a foreclosure title report, and such amount as the court may determine to be reasonable as attorney's fees therein, including attorney's fees in connection with any appeal from a decision of the trial court or an intermediate appellate court.
9. **NONEXCLUSIVENESS AND ACCUMULATION OF REMEDIES.** Election by the Manager to pursue any remedy provided for the violation of any provision of this Agreement shall not prevent concurrent or subsequent exercise of another remedy permitted thereunder or which is permitted by law. The remedies provided in this agreement are not intended to be exclusive but shall be in addition to all other remedies, including actions for damages or suits for injunctions or for specific performance available under applicable law.
10. **AMENDMENT AND REPEAL.** Any provision of this Agreement may at any time be amended ore repealed, or provisions may be added by the following method: Property owners owning tow-thirds of the lots and the City of Redmond must consent in writing to the amendment or repeal of a provision or to the addition of a new provision. Any amendment or repeal of a provision of this agreement or any additional provision shall become effective only upon the filing in the official records of Deschutes County, Oregon, of a certificate of the Manager setting forth in full the amendment, amendments, additional provision or repeal of approved as provided in this section and certifying that said amendments, additional provision or repeal have been approved in the manner required thereof herein.

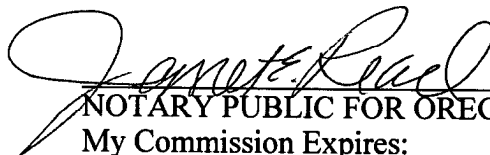
PACIFIC WESTERN HOMES, INC.
an Oregon Private Corporation



By: Chet Antonsen
Title: President

STATE OF OREGON)
County of Deschutes) ss.

The foregoing instrument was acknowledged before me this 27th day of JUNE, 2007 on behalf of and for Pacific Western Homes, Inc., by Chet Antonsen, its President.



NOTARY PUBLIC FOR OREGON

My Commission Expires: _____

