

2579

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
KIWA MEADOWS, A PLANNED
UNIT DEVELOPMENT

DESCHUTES COUNTY, STATE OF OREGON

TO: The Public:

This declaration, made on the date hereinafter set forth by, C.M.C. Construction, Inc., hereinafter referred to as "Declarant":

Declarant is the owner of certain real property in the City of Bend, Deschutes County, Oregon, hereinafter referred to as "said property", more particularly described on Exhibit "A", attached hereto and made a part hereof.

Declarant desires to subject said property to certain covenants, conditions, restrictions, reservations, easements, liens and charges for the benefit of said property, and its present and subsequent owners as hereinafter specified, and will convey said property subject thereto.

NOW, THEREFORE, Declarant hereby declares that all of the said property is and shall be held and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth; all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said property. These easements, covenants, restrictions, conditions and reservations shall constitute covenants to run with the land and shall be binding upon all persons claiming under them and also that these conditions, covenants, restrictions, easements and reservations shall inure to the benefit of and be limitations upon all future owners of said property, or any interest therein.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to KIWA MEADOWS ASSOCIATION, INC., a non-profit corporation.

Section 2. "Said Property" shall mean and refer to that certain real property herein described and such additions thereto as may hereafter be brought within the jurisdiction of the Association by

recorded declarations in the manner hereinafter set forth.

Section 3. "Common Area" shall mean all real property, and appurtenances thereto, now or hereafter owned by the Association for the common use and enjoyment of the members.

Section 4. "Residence Locations" shall mean and refer to any separately designated plat of land shown upon any recorded subdivision of said property, with the exception of the common area.

Section 5. "Residence" shall mean that portion or part of any structure intended to be occupied by one family as a dwelling, together with attached garage, as the case may be, and the patios, porches, or steps annexed thereto.

Section 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of all or any part of said property, including contract sellers, but excluding these having such interest merely as security for the performance of an obligation.

Section 8. "Declarant" shall mean and refer to the undersigned, their successors, and assigns, if such successors, or assigns should acquire more than one undeveloped residence location or building site from the Declarant for the purpose of development.

ARTICLE II

PROPERTIES SUBJECT TO THE DECLARATIONS

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to the Declaration, is located in Deschutes County, Oregon, and is more particularly described as set forth upon that document attached hereto and made a part hereof as though fully set forth herein, and marked Exhibit "A", all of which said property shall hereinafter be referred to as "said property".

Section 2. General Plan of Development. The general plan of development shall show the matters contained in this Declaration and set forth a general indication of the size and location and proposed land uses in the entire development; the general major proposed common facilities and improvements and unless otherwise stated therein, such general plan will not bind Declarant or their assigns to make the proposed additions or develop said property in accordance with the general plan. It is intended only as a proposed plan of development.

ARTICLE III

POWER OF ATTORNEY

Section 1. Power of Attorney. In order to expedite the completion of the project, the owners, and each of them, and all purchasers of lots in the future, hereby nominate and appoint Declarant, their authorized representative or assign their true and lawful attorney, for them, and in their respective names and steads, to execute and record subsequent declarations as set forth in this Declaration. Because of the interest of the Declarant in the project, the power of attorney hereby granted is coupled with an interest and is irrevocable until the completion of the entire project and the filing of a final declaration of completion by the Declarant.

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any residence location which is subject by covenants of record to assessment by the Association, including contract Sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any residence location which is subject to assessment by the Association. Ownership of such residence locations shall be the sole qualification for membership and shall automatically terminate or when such ownership shall terminate or be transferred.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership.

Class A. Class A members shall be all those owners as defined in Article IV with the exception of the Declarant. When more than one (1) person, including contract sellers, and leasehold interests holds such interest in any residence location, all such persons shall be members. The vote for such residence location shall be exercised as they among themselves determine, or, if unable to agree, they may cast fractional votes proportionate to their ownership interest, but in no event shall more than one Class A vote be cast with respect to any one residence location. The vote applicable to any of said property being sold under a recorded contract to purchase shall be exercised by the contract vendor, unless the contract expressly provides otherwise.

Class B. The Class B member(s) shall be the Declarant, their successors and assigns. Class B member(s) shall be entitled to three (3) votes for each residence location in which it holds the interest required for membership by Article IV; provided that the

Class B membership shall be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- b. On a date five (5) years from the date of recording of these covenants in the county deed records.

ARTICLE VI

PROPERTY RIGHTS

Section 1. Members' easements of enjoyment. Every member of the Association shall have a right and easement of enjoyment in and to the common area and such easements shall be appurtenant to and shall pass with the title to every assessed residence location; subject, however, to the following provisions:

- a. The right of the Association to limit the number of guests of members permitted to use the common area.
- b. The right of the Association to prescribe rules and regulations for use of the common area;
- c. The right of the Association to suspend any member's voting rights and/or right to use any of the common areas for any period during which any assessment against said member's property remains unpaid; and for a period not to exceed thirty (30) days for each infraction of its published rules and regulations;
- d. The right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use, from time to time, in the interest of securing maximum safe usage of the common areas by the members of the Association without unduly infringing upon the privacy or enjoyment of the owner or occupant of any part of said property, including, without being limited thereto, rules restricting persons under or over designated ages from using certain portions of said property during certain times, and reasonable regulations and restrictions regarding parking.

Section 2. Delegation of Use. Any member may delegate, in accordance with the Rules and Regulations adopted from time to time by the Directors, his right of enjoyment to the common areas and their facilities to the members of his family, his tenants or contract purchasers, provided they reside on the member's residence.

Section 3. Title to Common Areas. The Declarant may retain the legal title to the common areas until such time as improvements have been completed, and until such time as the Declarant, in its opinion, feels the Association is able to maintain the same, but notwithstanding any of the above, the Declarant hereby covenants for itself and its assigns that it shall convey the common area to the Association not later than five (5) years after filing this Declaration.

ARTICLE VII

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants for all of said property and each owner of any residence location upon acceptance of a deed, contract of purchase, or leasehold interest, whether or not it shall be so expressed in any such deed or other conveyance or agreement for conveyance, is deemed to covenant and agree to pay to the Association, (1) regular annual or other regular periodic assessments or charges as established by the Association from time to time, and (2) special assessment for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time such assessment became due. The obligations shall remain a lien upon the property until paid or foreclosed, but shall not be a personal obligation of successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in said property and in particular for the improvement and maintenance of said property, services and facilities devoted to this purpose and related to the use and enjoyment of the common areas, the residence locations and residences situated upon said property.

Section 3. Basis and Maximum of Annual Assessments. Until January 1 of the year immediately the conveyance of the first residence location to an owner, the maximum regular monthly assessment shall be \$35.00 for each residence location subject thereto:

- a. From and after January 1 of the year immediately following the conveyance of the first residence location to an owner, the maximum monthly assessment may be increased or decreased effective January 1 of each year, beginning January 1, without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C., or successor U.S. governmental agency) from July of the year in which these covenants are recorded to July of the year preceding the year in which such increase becomes effective, taking into consideration prior increases in such maximum, if any.
- b. From and after January 1 of the year immediately following the conveyance of the first residence location to an owner, the maximum monthly assessment may be increased above that determined by reference to the Consumer Price Index, as aforesaid by a vote of the members, provided that any such increase shall be approved by the affirmative vote of not less than fifty-one percent (51%) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.
- c. After consideration of current maintenance costs and future needs of the Association, it may fix a regular flat assessment upon a monthly, quarterly, or annual basis at an amount not in excess of the maximum specified above.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common areas, including the necessary fixtures and personal property related thereto, provided that any such special assessment for structural alterations, capital additions or capital improvements shall require the assent of a fifty-one percent (51%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent

to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. This section shall not prohibit the Directors from authorizing capital expenditures for replacements or repairs or improvements from funds generated by regular assessments.

Section 5. Uniform Rate Assessments. Both regular periodic assessments and any special assessments must be fixed at a uniform rate for all residence locations and may be collected on an annual, quarterly or monthly basis in the discretion of the Association, except as qualified in Article X for Exterior Maintenance.

Section 6. Quorum for Any Action Authorized Under Sections 3 and 4. At the first meeting called, as provided in Sections 3 and 4, hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming, at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 4 and the required quorum at the precedent meeting. No such subsequent meeting shall be held more than sixty (60) days following the date of the meeting at which no quorum was forthcoming.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all residence locations thirty (30) days after the sale of the last residence on said property, or conveyance of the common area to the Association whichever first occurs. The first regular assessment shall be adjusted according to the number of months remaining in the calendar year. The Association shall fix the amount of the regular assessment at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Association. The Association shall upon demand at any reasonable time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified residence location have been paid. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the prime rate plus 2% prevalent in Bend, Oregon on the assessment date. The Secretary of the said Association shall file in the office of the Director of Records, County Clerk, or appropriate recorder of conveyances of Deschutes County, State of Oregon, within one hundred twenty (120) days after delinquency, a statement of the amount of any such charges or assessments together with interest as aforesaid, which have become delinquent with respect to any residence location on said property, and upon payment in full thereof, shall execute and file a proper release of the lien securing the same. The aggregate amount of such assessment, together with costs and expenses

and a reasonable attorney's fee for the filing and enforcement thereof, shall constitute a lien on the whole residence location with respect to which it is fixed and on any improvement thereon, from the date the notice of delinquency thereof is filed in the office of said Director of Records or County Clerk or other appropriate recording office, until the same has been paid or released as herein provided. Such lien may be enforced by said Association in the manner provided by law with respect to liens upon real property. The owner of said property at the time said assessment becomes due shall be personally liable for the expenses, costs and disbursements and attorney's fees shall be secured by said lien, including fees on appeal. The owner at the time such assessment is incurred, shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas or abandonment of his residence location or any improvement thereon.

Section 9. Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein shall be inferior, junior and subordinate to the lien of all mortgages and trust deed now or hereafter placed upon said property or any part thereof. Sale or transfer of any residence location or any other part of said property shall not affect the assessment lien. However, the sale or transfer of any residence location which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to amounts thereof which became due prior to such sale or transfer; and such lien shall attach to the net proceeds of the sale, if any, remaining after such mortgages and other prior liens and charges have been satisfied. No sale or transfer shall relieve such residence location and any improvements thereon from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE VIII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the properties and placed on or immediately adjacent to the dividing line between the residence locations owned by different persons shall constitute a party wall. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section w. Sharing of Repair and Maintenance. The costs of reasonable repair and maintenance of a party wall shall be shared equally by the owners whose residence abut such wall.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it. If the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission. The word "use" as referred to herein means ownership of a dwelling unit or other structure which incorporates such wall or any part thereof.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements, in addition to any liability for consequential damages.

Section 5. Right to Contribution Runs with Land. The right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 6. Arbitration. Any dispute concerning a party wall or any provisions of this Article shall be arbitrated. Each party shall choose one arbitrator, and such arbitrator shall choose an additional arbitrator, and the decision shall be by a majority of all the arbitrators, whose decision will be binding upon the parties thereto.

Section 7. Encroachments. If any portion of a party wall or other part of a Residence building or structure now or hereafter constructed upon said property encroaches upon any part of the common areas or upon the Residence Location or Residence Locations used or designated for use by another Residence Location owner, such encroachment shall be made known to the Architectural Committee which will investigate the origin, length of time and extent of the encroachment. If the Committee finds that it would be a hardship on the present owner of the structure which is now encroaching to have the encroaching material removed, then an easement for the encroachment and for the maintenance of same is granted and reserved and shall exist, and be binding upon the Declarant, the Association and upon all present and future owners of any part of said property for the benefit of the present and future owners of such encroaching building or structure for the purpose of occupying and maintaining same; and in the event a structure consisting of more than one Residence becomes partially or totally destroyed or in need of repair or replacement, mutual and reciprocal easements are granted and reserved upon the common areas and in and upon each residence and Residence Location for the benefit of the Association and the adjacent owner or owners to the extent reasonable necessary or advisable to make repairs and replacements; and minor encroachments resulting from any such repairs and /or replacements and the maintenance thereof are hereby granted

and reserved for the benefit of the present and future owners thereof. The easements for encroachment herein granted and reserved shall run with the land.

ARTICLE IX

EXTERIOR MAINTENANCE

Section 1. Maintenance of the Common Areas and Exterior Maintenance. The Association shall maintain or provide for the maintenance of the common areas, and in addition, the Association shall provide exterior maintenance upon and for each residence location subject to assessment hereunder, including, without being limited to the following: paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces, fences trees, shrubs, grass, landscaped areas, walks and other exterior improvements. Such exterior maintenance shall not include glass surfaces. Further, the Association shall provide maintenance and repair to all building drains and building sewers which lie in, on or under the common areas and the residence locations. In the event the need for such maintenance or repair is caused through the willful or negligent act or omission of the owner, his family, tenants, guests or invitees, the cost of such maintenance or repair may, in the discretion of the Directors, be added to and become a part of the assessment to which such residence location is subject, and a lien and enforceable in the same manner. Damages caused by fire, flood, storm, earthquake, riot, vandalism other than normal wear from use and the elements shall be the responsibility of each owner and not included in the maintenance provided by the Association. The Association will assess each residence location based upon the proportionate share that it will cost to maintain and repair said exterior portion of the said improvements situated thereon.

ARTICLE X

USE RESTRICTIONS

The following restrictions shall be applicable to the real property described on Exhibit "A", and any other property herein-after annexed hereto and shall be for the benefit of and limitations upon all present and future owners and authorized users thereof of said property, or of any interest therein.

Section 1. No sign of any kind shall be displayed to the public view on any Residence Location except one professional sign of not more than five (5) feet square advertising the Residence for sale or rent, or signs used by the developer to advertise the Residence Location or Residence during the construction and sale period.

Section 2. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said property, except dogs, cats or other tame, domestic household pets, provided such household pets are not kept, bred or maintained for any commercial purpose. The number of pets kept at each residence may be limited

and the control thereof shall be by rule prescribed by the Association.

Section 3. No part of said property shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. No garbage, trash or other waste material shall be kept or maintained on any part of said property except in a sanitary container. Equipment for the storage of or the disposal of such material shall be kept in a clean and sanitary condition.

Section 4. No noxious or offensive condition or anything which may be or become an annoyance or nuisance to the neighborhood shall be permitted.

Section 5. No trailer, camper-truck, tent, garage, barn, shack or other out-building shall at any time be used as a residence temporarily or permanently on any part of said property.

Section 6. Parking of boats, trailer, motorcycles, cars, trucks, truck-campers and like equipment shall not be allowed on any part of said property nor on public ways adjacent thereto excepting only within the confines of any garage. All other parking of equipment shall be prohibited except in such areas, fully screened from public view, as may be approved in writing by the Association.

Section 7. All owners are members of the Association and entitled to an equal share in the rights and interest and privileges and obligations as such and all owners will have the right to use all other common areas owned by such Association subject to the rules and regulations and restrictions applicable thereto.

Section 8. All common areas are to be maintained by the Association and no changes in the equipment, design, decor, landscaping, removal or trimming of trees, lawns, or shrubs will be permitted without written authorization by the Association.

Section 9. All walks, streets and other common pathways and for the use of Association members on an equal basis, subject to reasonable rules and regulations promulgated from time to time in writing by the Directors. It shall be the responsibility of each member to allow maximum ease of pedestrian bike and vehicular ingress and egress over walks, streets and driveways by prohibiting automobile parking in front of garages or in the driveways, paths or alleyways and allowing no obstruction or barrier on, across or adjacent to sidewalks or paths which would interfere with any other member's use of the common areas or access of his Residence Location.

Section 10. Exterior painting, maintenance and roof repair or replacement will be performed by the Association. Owners are expressly prohibited from painting or changing the exterior of any building, carport, fence or wall without written permission of the Association.

Section 11. The Association will have jurisdiction over activities permitted in the common areas. All disputes, complaints

or matters of change in existing or future use restriction will be submitted to the Association for Arbitration.

Section 12. Ownership of each residence location shall entitle the owner or owners thereof to the use of not more than one (1) automobile parking spaces, which shall be as near and as convenient to the residence location as reasonably possible, together with the right of ingress and egress in and upon said parking area. The Association shall permanently assign not less than one vehicle parking spaces for each residence location.

Section 13. No clotheslines, clothesracks, or other apparatus on which clothes, rugs or similar items are exposed for the purpose of drying or airing shall be located on any Lot except in the rear yard area thereof. Any such clothesline area shall be adequately concealed so as to screen the view thereof.

Section 14. All trees, hedges, shrubs, flowers, or grass growing on the Residence shall be maintained, trimmed and cultivated so that insects, pests and diseases shall not be a menace to other trees, hedges, flowers (or), lawns on surrounding properties and so that the Residence landscaping is not detrimental to the neighborhood as a whole, or serves to prevent reasonable view of open spaces from adjacent residences.

Section 15. Declarant intends to construct adequate fencing for the project. Until all property within the development is sold no one except Declarant may build a fence upon the property. After the property is entirely sold the Association may establish such rules as it deems appropriate for the approval of additional fencing on the project.

ARTICLE XI

EASEMENTS

All conveyances of land situated in said property made by the Declarant, and by all persons claiming by, through, or under Declarant, shall be subject to the foregoing restrictions, conditions and covenants whether or not the same be expressed in the instruments of conveyance, and each and every such instrument of conveyance shall likewise be deemed to grant and reserve, whether or not the same be declared therein, mutual and reciprocal easements over and across all of the common areas of said property for the purpose of traveling by foot, by bike, other conveyance or resting or otherwise being thereon, and over, under and across all portions of said property, except those portions thereof actually intended to be occupied as living space now or hereafter located upon said property and specifically including, without being limited thereto the interior of party walls, attic crawl spaces and the area below the living space in any living units, for the purpose of building, constructing and maintaining underground or concealed electric and telephone lines, gas, water, sewer, storm drainage lines, security, radio and television

antennae and cables, and other utilities and services now or thereafter commonly supplied by public utilities or municipal corporations and upon all common areas for construction and maintaining thereon street, driveways, community and recreational facilities, ornaments and statutes, swimming pools, lawns, landscaping and planted areas thereof; all of said easements shall be for the benefit of all present and future owners or property subject to the jurisdiction of the Association by recorded covenants and restrictions, recorded as hereinabove provided, and their tenants, contract purchasers and guests; said easements and rights of use, however, shall not be unrestricted but shall be subject to reasonable rules and regulations governing said right of use, as promulgated from time to time by the Association in the interest of securing maximum safe usage of said easements without unduly infringing upon the privacy of the owner or occupant of any part of said property. An easement over, upon and across all parts of said property is granted and reserved to the Association, its successors and assigns to the extent reasonably required to perform exterior maintenance and service including but not limited to the right to service common utility lines and to the extent reasonably necessary to perform other maintenance reasonably necessary or advisable to protect or preserve the value of said property and the residences thereon.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, or the owner of any recorded mortgages 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, easements, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Servability. Invalidation of any one of the covenant or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Residence Location subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date appearing on this Declaration, after which time said covenants shall be automatically extended for successive periods of ten (10) years each. Any of the covenants and restrictions of this Declaration, except the easements herein granted, may be amended during the first twenty-five (25) year period by an instrument signed by members entitled to cast not less than ninety percent (90%) of the votes of each class of membership,

and thereafter by an instrument signed by members entitled to cast not less than seventy-five percent (75%) of the total votes eligible to be cast. Easements herein granted and reserved shall not be amended except by instrument signed and acknowledged by one hundred percent (100%) of the owners of the property concerned, and by the Architectural Committee. All such amendments must be recorded in the appropriate Deed Records of Deschutes County, Oregon, to be effective.

Section 4. No Right of Reversion. Nothing herein contained in this Declaration, or in any form of deed which may be used by Declarant, or its successors and assigns, in selling said property, or any part thereof, shall be deemed to vest or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions hereof.

Section 5. Right of Mortgages Relating to Maintenance. At any time that any part of the common area, or any other part of said property of any residence or building or improvement located thereon is not properly maintained and kept in good order and repair by the Association or otherwise, to the extent reasonably necessary to protect and preserve the appearance and value thereof and the appearance and value of the remainder of said property, then the record owner of any mortgage or deed of trust upon any part of said property or residence or building thereon, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the mortgagor-owner of such property 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 said period of time such mortgagors shall be given notice of all regular and special meetings of the Association, the owner-mortgagor shall receive such notice also and may attend such meetings as an observer. Said notice shall quote this paragraph and shall be sent by certified United States mail, return receipt requested, to the owner-mortgagor, a copy by regular mail to the Association at the last known address of each.

Section 6. Insurance. The Association and each owner shall at all times cause the various units and all other buildings and improvements to be insured with broad form fire and extended coverage insurance for the full replacement value thereof. Individual members of the Association shall provide their own personal property damage insurance and personal liability insurance away from the premises.

Section 7. In order to protect and preserve the appearance and value of the entire said properties, each owner is required to repair or rebuild his residence after each loss to it, notwithstanding the fact that there may be no proceeds available for such purpose. If an owner does not promptly so repair or rebuild, then the Association may do so after fifteen (15) days' written notice of its intent to so repair or rebuild if the owner fails to commence the same within said period. All expenses incurred by the Association on behalf of said owner shall become a lien upon the

owner's residence and the owner's residence location. If said expenses which have been paid by the Association are not repaid by the owner within forty-five (45) days after completion of said repair or rebuilding, then the Association may foreclose upon said lien as provided by law.

Section 8. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by Declarant, the Association and the owner or owners of any portion of said property and their heirs and assigns, and each of their legal representatives and failure by Declarant or by the Association or by any of the property owners or their legal representatives, heirs, successors or assigns, to enforce any of such conditions, restrictions or charges herein contained shall in no event be deemed a waiver of the right to do so.

Section 9. Any or all rights, powers and reservations of Declarant herein contained may be assigned to the Association or to any other corporation or association which is now organized or which may hereafter be organized and which will assume the duties of Declarant hereunder pertaining to the particular rights, powers and reservations assigned; and upon any such corporation or association evidencing its intent in writing to accept such assignment and assume such duties, it shall to the extent of such assignment have the same rights and powers and be subject to the same obligations and duties, as are given to and assumed by Declarant herein. All rights of Declarant hereunder reserved or created shall be held and exercised by C.M.C. Construction, Inc. so long as it owns any interest in any portion of said property.

IN WITNESS WHEREOF, this, the owners of all property within said property, have hereunto caused these presents to be executed this 29 day of July, 1980.

C.M.C. CONSTRUCTION, INC.

By Claude Powell, Pres

STATE OF OREGON)
) ss.
County of Deschutes)

Personally appeared CLAUDE POWELL, President of C.M.C. CONSTRUCTION, INC., and acknowledged the foregoing instrument to be his voluntary act Before me:

Carolyn M. Merritt
Notary Public for Oregon
My Commission Expires: 1-1-84



2579

No.

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record

on the 31

day of July, A.D., 19. 80

at 2:46 o'clock P. M., and Re-

corded in Book... 325

on Pages..... 865 Record of

..... Needs

Rosemary Patterson

County Clerk.

By Doris J. Davis, Deputy