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DESCHUTES COUNTY CLERK

CERTIFICATE PAGE



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64455 Research Rd
Bend, OR 97701

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF OTTER RUN

THIS DECLARATION is made this ____ day of January, 2003, by Otter Run Development LLC, an Oregon limited liability company ("Declarant").

OBJECTIVES

Declarant owns property located in the city of Bend, Deschutes County, Oregon. Declarant proposes to develop portions of this property as a planned unit residential development, consisting of 20 townhome units (each, a "Townhome"), and two single family dwellings to be known as Otter Run.

The plat of Otter Run has been recorded in the plat records of Deschutes County, Oregon. Declarant desires to subject the property described in such plat to the covenants, conditions, restrictions, and charges set forth herein for the benefit of such property and its present and subsequent owners.

Otter Run is situated within River Bend and is subject to the Master Declaration and Master Bylaws.

NOW, THEREFORE, Declarant hereby declares that the property covered in the plat of Otter Run, more particularly described on Exhibit A attached hereto shall be held, sold, and conveyed subject to the following easements, covenants, conditions, restrictions, and charges, which shall run with such property and shall be binding upon all parties having or acquiring any right, title or interest in such property or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE 1 DEFINITIONS

As used in this Declaration, the terms set forth below shall have the following meanings:

1.1 "Association" means the nonprofit corporation to be formed to serve as the association of Owners (as hereinafter defined) as provided in Article 8 hereof, and its successors and assigns.

1.2 "Building" means 8 buildings situated on lots 1 through 22, Otter Run.

1.3 "Common Areas" means all areas designated as such or as "common lot", "open space", or "private street" on the plat of Otter Run.

1.4 "Declarant" means Otter Run Development LLC, any person who succeeds to any special declarant right and to whom all of the Declarant's ownership interest in Otter Run is transferred, or any person, other than Owners, to whom the Declarant has transferred, for purposes of resale, all of Declarant's ownership interest in Otter Run.

- 1.5 "Declaration" means this Declaration as amended from time to time.
- 1.6 "Design Review Committee" means the Design Review Committee appointed pursuant to this Declaration.
- 1.7 "Improvement" means every temporary or permanent structure or improvement of any kind, including but not limited to a house, fence, wall, driveway, swimming pool, storage shelter or other product of construction efforts on or in respect to any property within Otter Run, including landscaping, and every alteration, modification, repair (including painting), or reconstruction thereof.
- 1.8 "Living Unit" means the 22 Living Units included in the Buildings.
- 1.9 "Lot" means a platted or legally partitioned lot, within Otter Run.
- 1.10 "Manager" means the person with whom the Association contracts to provide management services pursuant to Section 9.4.
- 1.11 "Master Association" means River Bend Master Association, Inc., an Oregon nonprofit mutual benefit corporation, its successors, and assign.
- 1.12 "Master Bylaws" means the bylaws of the Master Association as are in effect from time to time.
- 1.13 "Master Declaration" means collectively (a) the Amended and Restated Master Declaration of Covenants for River Bend dated November 4, 1997, and recorded on June 26, 1998, in the real property records of Deschutes County, Oregon at Book 499 at page 2948, and such supplemental declarations as have been adopted and recorded from time to time, and (b) the Supplemental Declaration of Covenants, Conditions, and Restrictions for River Bend for Northside Terrace recorded on June 30, 1998, in the real property records of Deschutes County, Oregon at Book 10 at pages 140-144.
- 1.14 "Mortgage" means a mortgage, trust deed, or land sales contract; "mortgagee" means a mortgagee, beneficiary of a trust deed, or vendor under a land sales contract; and "mortgagor" means a mortgagor, grantor of a trust deed, or vendee under a land sales contract.
- 1.15 "Owner" means the person or persons, including Declarant, owning any Living Unit, including any vendee under a recorded land sales contract to whom possession has passed, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a Living Unit, including any vendor under a recorded land sales contract who has given up possession.
- 1.16 "Private Way" means any area which is designated a "private way", "private street", or "private easement" in the plat of Otter Run, but excludes Mill A Drive.
- 1.17 "Otter Run" means the property designated in Section 3.1 of this Declaration.

ARTICLE 2
NAME; CLASSIFICATION; PROPERTY SUBJECT TO AGREEMENT; COMMENCEMENT
AND TERMINATION OF STATUS

- 2.1 Name. The name of the planned community development is Otter Run.
- 2.2 Subject to PCA. The planned community development is subject to Oregon Revised Statutes 94.550 to 94.783.
- 2.3 Classification. The classification of the planned community development is Class I.
- 2.4 Property Subject. Declarant hereby declares that all of the real property described on Exhibit A attached hereto is owned and shall be owned, conveyed, hypothecated, encumbered, used, occupied, and improved subject to this Declaration. The planned unit development includes 22 Living Units.
- 2.5 Declarant Improvements. Declarant agrees to build all improvements necessary for the Private Ways in Otter Run. Declarant does not agree to build any additional improvements but does not choose to limit Declarant's rights to add improvements not described in this Declaration.
- 2.6 Commencement and Termination of Status. The rights, obligations, and other status of being an Owner commence upon acquisition of the ownership of a Living Unit and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.

ARTICLE 3
PARTY WALLS, INSURANCE, AND DAMAGE OR DESTRUCTION

- 3.1 Party Walls.
- (a) General Rules of Law to Apply. Each wall that divides two Townhome Living Units, and which is placed on the divided line between the Lots, shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls shall apply thereto.
- (b) Sharing of Repair and Maintenance. The cost of repair and maintenance of a party wall shall be shared equally by the Owners whose Living Units are divided by such wall.
- (c) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the provisions of Article 9 of this Declaration shall apply with regard to repair or reconstruction of such wall.
- (d) Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his or her 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.

(e) 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.

3.2 Easement. No Owner shall alter or change a party wall in any manner, interior decoration excepted. Each party wall shall always remain in its present location. Each adjacent Owner shall have a perpetual easement in that part of the Living Unit of the adjacent Owner on which the party wall is located, for party wall purposes.

3.3 Insurance. The Association, through the Board of Directors, shall obtain and maintain at all times and shall pay for out of operating assessments the following insurance covering both the Common Areas and the Living Units, including fixtures, equipment, and other property which would ordinarily be required to be covered by a holder of a first mortgage:

(i) Property insurance including, but not limited to, fire, extended coverage, vandalism, and malicious mischief, and

(ii) Insurance covering the legal liability of the Association, the Owners individually and the Manager, including but not limited to, the Association Board of Directors, the public and the Owners and their invitees or tenants, incident to ownership, supervision, control or use of the Property. There may be excluded from the policy required under this subsection, coverage of an Owner, other than coverage as a member of the Association or Board of Directors, for liability arising out of acts or omissions of that Owner and liability incident to the ownership or use of the part of the Property as to which that Owner has the exclusive use or occupancy. Liability insurance required under this subsection shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement providing that the rights of a named insured under the policy shall not prejudice any action against another named insured.

Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Each Owner appoints any Insurance Trustee or substitute Insurance Trustee designated by the Association, as an attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for Owners and their first mortgage holders, as their interests may appear.

3.4 Destruction of Living Unit. If one or more of the Buildings are damaged, destroyed, or partially condemned, the Association's 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 Living Unit shall have substantially the same vertical and horizontal boundaries as before. If the insurance proceeds are insufficient to rebuild and restore, the Owners shall be liable for assessment for any deficiency.

3.5 Election Not to Rebuild. If any Living Unit is destroyed and the Owners of all Living Units situated in the affected Building elect not to rebuild and if the election not to rebuild is approved by a seventy-five percent (75%) vote of the Owners, the affected Lots shall be cleared of debris and Living Units of an alternate design may be constructed subject to approval of the Design Review Committee.

ARTICLE 4 PROPERTY RIGHTS IN COMMON AREAS

4.1 Owners' Easements of Enjoyment. Subject to provisions of this Declaration, every Owner and such Owner's invitees shall have a right and easement of enjoyment in and to the Common Areas including, without limitation, Private Ways.

4.2 Title to Common Areas. Fee title to the Common Areas shall be conveyed by Declarant to, and must be accepted by, the Association free and clear of liens and encumbrances other than those created pursuant to this Declaration. The deed conveying the Common Areas shall be delivered before the first Lot is sold.

4.3 Extent of Owners' Rights. The rights and easements of enjoyment in the Common Areas created hereby shall be subject to the following and all other provisions of this Declaration:

(a) Association's and Owners' Easements. Declarant grants to the Association for the benefit of the Association and all Owners of Living Units within Otter Run the following easements over, under, and upon the Common Areas:

(i) An easement for installation and maintenance of power, gas, electric, water, 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 property included in Otter Run.

(ii) An easement for construction, maintenance, repair, and use of the Common Areas and common facilities thereon, including, but not limited to, walkways, bike paths, fences, landscaping, irrigation systems, entry way structures, decorative ornamentation, and signs, and for any purposes and uses adopted by the Association for the benefit of the Association and the Owners.

(iii) An easement for the purpose of making repairs to the Common Areas.

(b) Declarant's Easements. So long as Declarant owns any Lot, and in addition to any other easements to which Declarant may be entitled, Declarant reserves an easement over, under, and across the Common Areas in order to carry out development, construction, and sales activities necessary or convenient for the development of Otter Run, the sale of Living Units, discharging Declarant's obligations, exercising any of Declarant's rights or discharging any of Declarant's obligations hereunder, or related uses.

(c) Utility Easements. Declarant or the Association may (and, to the extent required by law, shall) grant or assign easements to Declarant, municipalities, communication companies, or other utilities over Common Areas providing utility services, and the Association may grant free access thereon to police, fire, and other public officials and to employees of utility companies and communications companies serving Otter Run.

(d) Use of the Common Areas. Except as otherwise provided in this Declaration, including without limitation the provisions in Section 4.3(f), the Common Areas shall be reserved for the use and enjoyment of all Owners and no private use may be made of the Common Areas. Nothing herein shall prevent the placing of a sign or signs upon the Common Areas for the purpose of identifying Otter Run, provided such signs are approved by Declarant or the Design Review Committee.

(e) Alienation of the Common Areas. The Association may not by act or omission seek to abandon, partition, subdivide, encumber, cause the Common Area to be subject to any security interest, sell, or transfer the Common Areas owned directly or indirectly by the Association for the benefit of the Owners unless the holders of at least 80 percent of the Class A voting rights (as described in Section 8.3(b) below) and the Class B member (as defined in Section 8.3(b) below), if any, have given their prior written approval. This provision shall not apply to the easements described in this Section 4.3. A sale, transfer, or encumbrance of the Common Area or any portion of the Common Area in accordance with this Section 4.3(e) may provide that the Common Area so conveyed shall be released from any restriction imposed on such Common Area by this Declaration. No sale, transfer, or encumbrance, may, however, deprive any Owner of such Owner's right of access or support without the written consent of the Owner.

(f) Owner Easements. Declarant hereby reserves for each Owner an easement for driveway and underground utility purposes across any Common Area lying between such Owner's Lot and the Private Way providing access to such Lot.

(g) Private Ways. Each Owner shall have a nonexclusive easement for use of Private Ways for the purposes of walking thereon or traveling thereon by appropriate means. Each Owner may permit his guests and invitees to use the Private Ways for such purposes. The easement provided for herein shall be appurtenant to and assignable with the Living Unit with respect to which it is granted, but shall not be otherwise assignable. The use of Private Ways shall be subject to rules and regulations adopted by the Board of Directors of the Association. The Board of Directors shall have the right to erect gates across Private Ways and to regulate access through such gates. The Board of Directors shall grant free access on Private Ways to police, fire, and other public officials, to employees of utility companies serving Otter Run and to such others to whom the Board believes access should be given for the benefit of Owners.

Declarant may use Private Ways for its own purposes and for the purpose of location of utilities. There shall be no implied dedication of Private Ways.

4.4 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, such Owner's right of enjoyment of the Common Areas to the members of such Owner's family or tenants who reside in the Living Unit.

ARTICLE 5 PROPERTY RIGHTS IN LIVING UNITS

5.1 Use and Occupancy. Except as otherwise expressly provided in this Declaration the Owner of a Living Unit in Otter Run shall be entitled to the exclusive use and benefit of such Living Unit.

5.2 Easements Reserved. In addition to any easements shown on the recorded plats, Declarant hereby reserves the following easements for the benefit of Declarant, the Owners, and the Association:

(a) Exterior and Landscaping Maintenance. The Association, its managers, and contractors shall have the right to enter upon each Lot and Living Unit to the extent reasonably necessary for maintenance and repair of landscaping on the Lots and exterior portions of the Living Units.

(b) Right of Entry. Declarant, the Design Review Committee, and any representative of the Association authorized by it may at any reasonable time and from time to time at reasonable intervals following at least 24 hours notice (except when it is reasonably determined that an emergency exists, in which case no notice shall be required), enter upon any Lot for the purpose of determining whether or not the use of and/or Improvements on such Lot are 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.

(c) Sidewalks and Paths. Declarant, the Association, and the Owners, shall have an easement across that portion of each lot on which there is situated a portion of a sidewalk or path as shown on the plat of Otter Run.

5.3 Restriction on Transfer. There shall be no inter vivos transfer, either directly or indirectly, of any interest in a Living Unit which would result in any person owning, either directly or indirectly through a corporation or a partnership, less than a twenty percent (20%) interest in such Living Unit without the prior written consent of Declarant.

ARTICLE 6 RESTRICTIONS ON USE OF LIVING UNITS

6.1 Occupancy. No Owner shall occupy, use, or permit his Lot or Living Unit, or any part thereof, to be used for any purpose other than a private residence for the Owner, his family, or his guests, except that (a) each Owner shall be permitted to rent the Living Unit for periods of no shorter duration than 30 consecutive days when Owner is not in occupancy and (b) each Owner may operate from a Living Unit a home business (as defined in applicable land

use ordinances). Nothing in this section shall be deemed to prohibit (x) activities relating to the sale of Living Units or (y) the right of Declarant or any contractor or homebuilder to construct Living Units on any Lot, to store construction materials and equipment on Lots in the normal course of construction. Declarant may use any Living Unit as a sales office or model.

6.2 Maintenance. Each Lot shall be maintained in a clean and attractive condition, in good repair, and in such a fashion as not to create a fire hazard. All garbage, trash, cuttings, refuse, garbage and refuse containers, and other service facilities located on each Lot, shall be screened from view in a manner approved by Declarant. No Owner shall take any action which will unduly increase the Association's expense of exterior maintenance.

6.3 Construction and Alteration. Nothing shall be altered or constructed in or removed from or placed on a Lot except with the prior written consent of Declarant or the Design Review Committee. If any construction or alteration is approved, it shall be completed in compliance with all applicable laws.

6.4 Offensive Activity. No offensive activity shall be carried on, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the other Owners. Except for home offices or home businesses that do not generate traffic of the quantity or type that would constitute an annoyance or nuisance to the other Owners, no commercial activity may be carried on any Lot.

6.5 Signs. No signs shall be erected or maintained on any Lot except signs which are approved as to appearance and location by Declarant or the Design Review Committee. The restrictions contained in this paragraph shall not apply to the placement by the Declarant or Declarant's agent of one or more signs identifying the name of the Declarant and/or the location of a sales office or model home.

6.6 Antennas and Satellite Dishes. Exterior satellite receiver, transmission dishes, exterior antennas, or other sending or receiving devices shall not be permitted to be placed upon any Lot except as approved by Declarant or the Design Review Committee and except as permitted by law.

6.7 Prohibited Structures. Except for trailers related to construction activities within Otter Run, no house trailer, mobile home, manufactured home assembled off site, tent, shack, barn, or other similar outbuilding or structure, whether permanent or temporary, shall be erected or placed on any Lot.

6.8 View. The height of vegetation and trees on a Lot shall not materially restrict the view of other Owners. The Board of Directors of the Association shall be the sole judge of the suitability of such heights. This section is not to be read as justification to create views not present when the Living Unit was originally purchased.

6.9 Parking. No house trailer, travel trailer, boat trailer, camper, incapacitated motor vehicle, snowmobile, motor home, or off-road vehicle shall be parked or stored on any Lot or Common Area except as provided in the Association's rules and regulations or the architectural guidelines which shall, among other things, permit temporary parking of recreational vehicles and boat trailers in designated areas.

6.10 Domestic Animals. No domestic animals shall be kept or raised on any Lot or within or in any Living Unit except for household pets which may be kept and raised only in accordance with regulations adopted by the Association Board of Directors. The Association Board of Directors shall have the right to prohibit pets which are regarded as dangerous or a nuisance.

ARTICLE 7 ARCHITECTURAL REVIEW

7.1 Composition; Special Declarant Rights. The Architectural Review Board shall consist of two or more individuals. Pursuant to ORS 94.600, Declarant reserves the special declarant right to select the Architectural Review Board until the Declarant is no longer an Owner. After Declarant is not an Owner, the Board of Directors shall serve also as an Architectural Review Board unless the Board of Directors elects to appoint a separate Architectural Review Board. A quorum for the Architectural Review Board action shall be a majority of its members.

7.2 Duties. It shall be the duty of the Architectural Review Board to regulate the external design, appearance, location, and maintenance of all the Property and of improvements thereon, whether on a Lot or on Common Areas, and to regulate use of such Property as described in this Declaration. Upon conveyance of the first Lot to an Owner, the Architectural Review Board shall adopt general guidelines to implement the purposes and interpret the covenants of this Article, including, but not limited to, rules not less restrictive than those contained in this Declaration to regulate the construction, remodeling, or additions affecting the exterior of the Living Units; animals and tenants; storage and use of recreational vehicles; storage and use of machinery; use of outdoor drying lines, trash containers, and plantings; and maintenance and removal of vegetation of the Property. All design guidelines and any amendments thereto must be approved by the Master Association.

7.3 Approval Required. No outbuilding, fence, wall, or other structure of any type shall be commenced, erected, or maintained upon the Property, nor shall any exterior addition to, change in, painting or staining of, or alteration to any Living Unit, outbuilding, fence, wall, or other structure on the Property of any type be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and location of the same shall have been submitted to and approved in writing by the Architectural Review Board as to the harmony of external design, materials, color, and location in relation to surrounding structures and topography.

7.4 Procedure. An Owner wishing to take any action requiring approval under this Article shall give notice of such proposed action to the Architectural Review Board, together with complete plans and specifications therefor. The Architectural Review Board shall meet to review the Owner's request within thirty (30) days of receipt and shall render a decision by the vote of a majority of Board Members present within forty-five (45) days of receipt. Interested Owners shall have an opportunity to comment on the request at all such meetings, which shall be open to all Owners. If the Architectural Review Board fails to render a written decision within the time allowed, the request shall be deemed to be approved.

7.5 Appeal. The decision of the Architectural Review Board under this Article (including any failure to approve or disapprove within the time allowed) shall be subject to appeal by any interested Owner as set forth in this Article. Upon the payment of a reasonable fee established by the Architectural Review Board to cover administrative costs (including legal fees) not to exceed Five Hundred Dollars (\$500), any interested Owner may appeal the decision of the Architectural Review Board to the Association members. The appeal shall be made in writing and shall be filed with the Secretary of the Association within thirty (30) days of the decision of the Architectural Review Board. The Board of Directors shall call a special meeting to be held after ten (10) days' notice and within thirty (30) days after the appeal has been filed with the Secretary of the Association. It shall require a vote of at least a majority of the votes of each Class of Association members to reverse or modify the decision of the Architectural Review Board.

7.6 Exemptions. The following actions by the following persons shall be exempt from the provisions of this Article:

(a) The planting of any shrubs, flowers, or other plants (excepting trees) by any Owner within an enclosed courtyard or fenced area or within containers located on the decks of a Building on such Owner's Lot;

(b) Any act of the Declarant in implementing its general plan of development with respect to any Lot or any portion of the Common Area in the development, whether or not annexed to Otter Run or a part of the Association.

7.7 Delegation. The Board of Directors may delegate the duties of the Architectural Review Board to a committee appointed by the Board composed of not less than three (3) Owners.

7.8 Master Association. In addition to complying with the architectural standards and procedures of the Association, any Owner wishing to make any changes to such Owner's Living Unit must comply with all the guidelines, standards and procedures of the Master Association.

ARTICLE 8 ASSOCIATION

8.1 Organization. Declarant shall, before the first Living Unit is conveyed to an Owner, organize an association of all the Owners within Otter Run as a nonprofit mutual benefit corporation under the Oregon Nonprofit Corporation Act. Such Association, its successors, and assigns, shall be organized under the name "Otter Run Homeowners' 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 Otter Run and all Owners of property located therein.

8.2 Membership. Every Owner of one or more Living Units shall, immediately upon creation of the Association and thereafter during the entire period of such Owner's ownership of one or more Living Units, 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 or acceptance of membership.

8.3 Voting Rights. Voting rights within the Association shall be allocated as follows:

(a) Living Units. Except as provided in Section 8.3(b) with respect to the Class B member, Living Units shall be allocated one vote per Living Unit.

(b) Classes of Voting Membership. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant (except that beginning on the date on which the Class B membership is converted to Class A membership, and thereafter, Class A members shall be all Owners including the Declarant). Class A members shall be entitled to voting rights for each Living Unit owned computed in accordance with Section 8.3(a) above. When more than one person holds an interest in any Living Unit, all such persons shall be members. The vote for such Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Living Unit.

Class B. The Class B member shall be Declarant and shall be entitled to three times the voting rights computed under Section 8.3(a) for each Living Unit or unimproved Lot owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(i) When Living Units on seventy-five percent (75%) of the Lots have been sold and conveyed to Owners other than Declarant; or

(ii) At such earlier time as Declarant may elect in writing to terminate Class B membership; or

(iii) Upon the expiration of seven years from the date hereof.

8.4 Powers and Obligations. The Association shall have, exercise, and perform all of the following powers, duties, and obligations:

(a) Declaration. The powers, duties, and obligations granted to the Association by this Declaration.

(b) Statutory Powers. The powers, duties, and obligations of a mutual benefit nonprofit corporation pursuant to the Oregon Nonprofit Corporation Act as it may be amended from time to time.

(c) General. 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.

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 Oregon Nonprofit Corporation Act.

8.5 Liability. Neither the Association nor any officer or member of its Board of Directors shall be liable to any Owner for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act by the Association, any of its officers or any member of its Board of Directors; provided only that the officer or Board member has acted in good faith in accordance with the actual knowledge possessed by him.

8.6 Interim Board; Turnover Meeting. Declarant shall have the right to appoint an interim board of three directors or more, who shall serve as the Board of Directors of the Association until replaced by Declarant or their successors have been elected by the Owners at the turnover meeting described in this Section. Not later than ninety (90) days after the expiration of the period of Declarant's Class B membership pursuant to Section 8.3, Declarant shall call a meeting for the purpose of turning over administrative responsibility for Otter Run to the Association. Declarant shall give notice of the meeting to each Owner as provided for in the Bylaws of the Association. If Declarant does not call a meeting required by this Section within the required time, the Transitional Advisory Committee described in Section 8.7 below or any Owner may call a meeting and give notice as required in this Section. At the turnover meeting the interim directors shall resign and their successors shall be elected by the Owners and Declarant as provided in this Declaration and the Bylaws of the Association.

8.7 Transitional Advisory Committee. Declarant or Owners shall form a transitional advisory committee (the "Transitional Advisory Committee") to provide for the transition from administrative responsibility by Declarant of Otter Run to administrative responsibility by the Association. Not later than the sixtieth (60th) day after the later of (a) Declarant has conveyed to Owners, other than a successor Declarant, Living Units on fifty percent (50%) of the Lots of Otter Run, or (b) the date that Declarant has conveyed ten (10) Lots in Otter Run to Owners, other than a successor Declarant. Declarant shall call a meeting of Owners for the purpose of selecting the Transitional Advisory Committee. The Transitional Advisory Committee shall consist of three or more members. The Owners, other than Declarant, shall select two or more members. Declarant may select no more than one member.

(a) Declarant Failure to Call Meeting. An Owner may call a meeting of Owners to select the Transitional Advisory Committee if the Declarant fails to do so as provided above.

(b) Owners' Failure to Select Members. Notwithstanding the 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. The requirement for formation of a Transitional Advisory Committee shall not apply once the turnover meeting specified in Section 8.6 above has been held.

8.8 Declarant Control After Turnover. After the turnover meeting described in Section 8.6 above, Declarant shall continue to have the voting rights described in Section 8.3(b) above. In addition, a majority of the Board of Directors of the Association shall be elected by Declarant, as Class B member, with the balance of the Board of Directors elected by the Class A members. After termination of Class B membership, all directors shall be elected by the Class A members.

8.9 Association Rules and Regulations. 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 Lots, Living Units, and the Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the property within Otter Run. 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 be binding upon all Owners and occupants of all Living Units upon the date of delivery. The method of adoption of such rules shall be as provided in the Bylaws of the Association.

8.10 Bylaws to Be Recorded. The Bylaws of the Association, and all amendments thereto, must be recorded in the real property records of Deschutes County, Oregon.

ARTICLE 9

MAINTENANCE, UTILITIES, AND MANAGEMENT SERVICES

9.1 Maintenance and Lighting of Common Areas. The Association shall perform all maintenance upon, and where the Association deems appropriate provide exterior lighting for, the Common Areas and all improvements situated thereon, including without limitation, gates and recreational facilities, provided that any such lighting (a) shall require prior written consent of Declarant while Declarant is an Owner and (b) shall conform to any applicable laws and ordinances and to the Master Declaration.

9.2 Maintenance of Utilities. The Association shall perform or contract to perform maintenance of all private utilities within Common Areas, such as sanitary sewer service lines and lift station, domestic water service lines, storm water detention facilities, and storm drainage lines, except to the extent such maintenance is performed by the utilities furnishing such services.

9.3 Maintenance of Building Exteriors and Landscaping. Maintenance of the exterior of the Buildings, sidewalks located in Common Areas (including snow removal and salting), and landscaping on the Lots and Common Areas shall be the responsibility of the Association except as hereinafter provided. Exterior maintenance of Buildings shall include painting and reroofing as well as routine maintenance. Owners shall be responsible for maintenance of all portions of the Living Units that are not the obligation of the Association as set forth in this Declaration. Without limitation, Owners shall be responsible for (a) landscaping and maintenance on patios and decks and for the care of hot tubs on exterior decks and (b) the cost of any repairs necessitated by the negligence or intentional misconduct of such Owner or such Owner's guests or invitees.

9.4 Management. The Association Board of Directors may engage a Manager for the Association and may delegate to the Manager such duties of the officers of the Association as the Association Board of Directors deems appropriate.

ARTICLE 10 ASSESSMENTS

10.1 Annual Operating Budgets. The Association Board of Directors shall on or before December 1 of each year prepare an operating budget for the Association for the ensuing year, taking into account the current costs of insurance premiums, maintenance, and services and future needs of the Association, any previous overassessment and any other common expenses or any common profits of the Association. The budget shall provide for such reserve or contingency funds as the Board deems necessary or desirable or as may be required by law.

10.2 Operating Assessments. All Living Units shall be assessed for operating costs. The amount of the assessment for each Living Unit will be a portion of the annual budget equal to one of the following amounts:

(a) Until the first full calendar year following the date all 22 Lots have been sold and a Living Unit has been completed on each such Lot, the amount of the assessment per Living Unit shall be determined by multiplying the annual budget by the ratio of (i) the square footage of such Living Unit divided by (ii) the square footage of all completed Living Units.

(b) For the first full calendar year following the date all 22 Lots have been sold and a Living Unit has been completed on each such Lot and for each calendar year thereafter, the amount of the assessment per Living Unit shall be determined by multiplying the annual budget by the percentage set forth below:

<u>Living Unit</u>	<u>Percentage Per Living Unit</u>
Lots 1 through 4	3.5714%
Lots 5 through 13	5.5556%
Lots 14 through 22	3.5714%

10.3 Special Purpose Assessments. In the event that the Association Board of Directors deems it to be to the advantage of the Owners to impose a special purpose assessment to provide funds to pay for any underassessment or provide funds for a particular capital improvement, capital expenditure, or recreational facility; it may impose such a special assessment, provided that the amount of the assessment and the terms upon which it will be imposed have been approved by the vote or written consent of the Class B member, if any, and by not less than seventy-five percent (75%) of the votes of the Class A members who are voting in person, by absentee ballot or by proxy at a meeting duly called for the purpose of approving the Special Purpose Assessment.

10.4 Property Reserve Account. Following a reserve study described in ORS 94.595, Declarant shall establish a reserve account which shall be called the "Property Reserve Account," and which need not be kept separate and apart from all other funds of the Association. The Property Reserve Account shall be used exclusively for replacement of items of common property which will normally require replacement, in whole or in part, in more than three and less than thirty years, for painting of the exterior of Buildings and for replacement of roofs on the Buildings and not for regular or periodic maintenance expenses. Included as a line item in each operating assessment, shall be an amount to be added to the Property Reserve Account which amount shall take into account the current replacement cost of each item of common property which has an estimated life of greater than three but less than thirty years and the estimated remaining life for such items of common property and the estimated cost of painting and reroofing the Buildings together with the projected date upon which exterior painting and reroofing will be required. Declarant shall not be required to pay any amount under this Section 10.4 assessed to a Living Unit owned by Declarant until such date as the Living Unit is occupied as a residence. At least annually, the Association Board of Directors shall conduct a reserve study or review and update an existing study of the common property to determine the reserve account requirements in accordance with ORS 94.595. At any time after the second year after the turnover meeting described in Section 8.6 above, future assessments for the Property Reserve Account may be increased or reduced by the Association Board of Directors provided that any such action by the Association Board of Directors may be modified by vote of not less than seventy-five percent (75%) of the Owners.

10.5 Payment of Assessments. The Association shall, not less than annually, provide notice to the Owner of each Living Unit of the amount of the assessments for such Living Unit. Assessments shall be due and payable on or before a date set forth in the notice which shall be not less than 15 days from the date the notice is mailed or at such other time or times set in accordance with this Declaration or the Bylaws as the Association may specify in the notice. The Board shall have the right to give discounts for advance payment of assessments.

10.6 Creation of Lien; and Personal Obligation of Assessments. Declarant, for each Living Unit owned by it within Otter Run does hereby covenant, and each Owner of any Living Unit 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 attorney fees imposed pursuant to Section 11.6, shall be a charge on the land and a continuing lien upon the Living Unit 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 Living Unit at the time when the assessment or charge fell due. Such liens and personal obligations shall be enforced in the manner set forth in Article 11 below.

10.7 Annual Accounting Each calendar year the Association Board of Directors shall render to each Owner an accounting which shall set forth the amount and source of all income received in the maintenance fund and all disbursements from the fund during the previous calendar year, together with a statement of the assets of and liabilities of the maintenance fund at the close of the last calendar year. The Association Board of Directors shall

maintain records of all amounts received into the maintenance fund and of all disbursements therefrom, which records shall be open to inspection by any Owner at any reasonable time during the normal business hours.

ARTICLE 11 ENFORCEMENT

11.1 Remedies. In the event any Owner or the invitee of any Owner shall violate any provision of this Declaration, the Bylaws of the Association or any rules or regulations adopted by the Association governing the use of Lots, Living Units, or Common Areas, then the Association, acting through its Board of Directors, may notify the Owner in writing that the violations exist and that such Owner is responsible for them, and may, after reasonable notice and opportunity to be heard, do any or all of the following: (a) suspend the Owner's voting rights and right to use the Common Areas for the period that the violations remain unabated, or for any period not to exceed sixty (60) days for any infraction of its rules and regulations, (b) bring suit or action against such Owner to enforce this Declaration, or (c) impose fines as provided in Section 11.7. Nothing in this section, however, shall give the Association the right to deprive any Owner of access to and from such Owner's Living Unit.

11.2 Nonqualifying Improvements and Violation of General Protective Covenants. In the event any Owner constructs or permits to be constructed on such Owner's 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 such Owner's Lot, then the Association acting through its Board of Directors may notify the Owner in writing of any such specific violations of this Declaration and may require the Owner to remedy or abate the same in order to bring the Owner's Lot, the Improvements thereon, and the Owner's use thereof, into conformance with this Declaration. If the Owner is unable, unwilling, or refuses to comply with the Association's specific directives or 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, in addition to any other rights or remedies provided in this Declaration, at law or in equity, the right to do any or all of the following:

(a) Remove Cause of Violation. Enter onto the offending Lot, without being subject to any trespass, conversion or any other claim for damages, and remove the cause of such violation, or alter, repair or change the item which is in violation of the 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.

(b) Suit or Action. Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration.

(c) Fines. Impose one or more fines as provided in Section 11.7.

11.3 Default in Payment of Assessments; Enforcement of Lien. If an assessment, fine, 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 until paid at the legal rate of interest and, in addition, the Association may exercise any or all of the following remedies:

(a) Suspension of Rights; Acceleration. The Association may suspend such Owner's voting rights and right to use the Common Areas until such amounts, plus other charges under this Declaration, are paid in full and may declare all remaining periodic installments of any annual assessment or any other amounts owed by such Owner to the Association immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from such Owner's Lot.

(b) Lien. The Association shall have a lien against each Lot and Living Unit for any assessment levied against the Lot and Living Unit and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Living Unit 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 87.352 to 87.386 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 and Living Unit at such foreclosure sale, and may acquire and hold, lease, mortgage, and convey the Lot and Living Unit. If any assessment is payable in installments, the full amount of the assessment is a lien from the date the first installment of the assessment becomes due.

(c) Suit or Action. The Association may bring an action to recover a money judgment for unpaid assessments and charges under this Declaration without foreclosing or waiving the lien described in Section 11.3(b) above. Recovery on any such action, however, shall operate to satisfy the lien, or the portion thereof, for which recovery is made.

(d) Other Remedies. 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 may notify any first mortgagee of any Living Unit of any default in performance of this Declaration by the Living Unit Owner which is not cured within sixty (60) days.

11.5 Subordination of Lien to First Mortgages. The lien of the assessments or charges provided for in this Declaration shall be subordinate to the lien of any first mortgage on such Lot and Living Unit 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 and Living Unit shall not affect the assessment lien, provided however, that if a first mortgagee acquires a Lot and Living Unit by foreclosure or deed in lieu of foreclosure, such mortgagee and a subsequent purchaser (other than the Owner liable for payment of the assessment covered by the lien) shall not be liable for any of the common expenses chargeable to the Lot and Living Unit which became due before the mortgagee or purchaser acquired title to the Lot and Living Unit by foreclosure or deed in lieu of foreclosure. Such sale or transfer, however, shall not release the Lot and Living

Unit from liability for any assessments or charges thereafter becoming due or from the lien of such assessments or charges.

11.6 Late Charge, Expenses, and Attorney Fees. A late charge may be charged for each delinquent assessment in an amount established from time to time by resolution of the Board of Directors of the Association not to exceed 10 percent 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 costs 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 as attorney fees at trial and upon any appeal or petition for review thereof or in any bankruptcy proceeding.

11.7 Fines. The Board of Directors may establish a schedule of fines applicable to violations of this Declaration or rules and regulations established pursuant to this Declaration. Fines may be imposed by the Board of Directors after giving the alleged violator notice of the proposed fine and an opportunity to be heard. Fines shall be payable within ten days after receipt of written notice of the imposition of the fine. All fines shall be deposited in the Association's operating account.

11.8 Nonexclusiveness of Remedies. An election by the Association to pursue any remedy provided for violation of this Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted hereunder.

ARTICLE 12 MISCELLANEOUS PROVISIONS

12.1 Amendment and Repeal. This Declaration, or any provision hereof, may be amended or repealed at any time (including, without limitation, within the 30 year period following the date of this Declaration) by the vote or written consent of Owners holding not less than seventy-five percent (75%) of the Class A votes, together with the written consent of the Class B member, 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 and secretary of the Association setting forth in full the amendment, amendments or repeal so approved and certifying that such 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 without Declarant's written consent, 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.

12.2 Regulatory Amendments. Notwithstanding the provisions of Section 12.1 above, until termination of the Class B membership, Declarant shall have the right to amend this Declaration or the Bylaws of the Association in order to comply with the requirements of any

applicable statute, ordinance, regulation, or ruling of the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National 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.

12.3 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 in Otter Run 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 in Otter Run 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 Class A votes and the written consent of the Class B member, if any, and the written approval of the holders of mortgages on Living Units in the project to the extent required by Section 12.4. Any such termination shall become effective only if prior to the intended termination date 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. Such termination shall not have the effect of denying any Owner access to such Owner's Lot unless such Owner and any mortgagee of such Lot have consented in writing to the termination.

12.4 Right of Mortgagees Relating to Maintenance. At any time that the Common Areas, including the Private Ways, the landscaping or the exterior of the Buildings are not maintained or repaired by the Association 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 of the Lot 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 year following the date of such notice. During this one-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 12.4 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.

12.5 Joint Owners. In any case in which two or more persons share the ownership of any Living Unit, 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.

12.6 Lessees and Other Invitees. Lessees, invitees, contractors, family members, and other persons entering Otter Run 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 such Owner's Lot, Living Unit, and other areas within Otter Run. 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.

12.7 Nonwaiver. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

12.8 Construction; Severability. This Declaration shall be liberally construed to accomplish the purposes 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.

12.9 Notices and Other Documents. All notices and other communications under this Declaration shall be in writing and shall be deemed to have been given on the day of delivery when delivered by personal service and to have been given three business days after delivery to the United States mails certified or registered mail, return receipt requested, addressed to the party to which such notice is directed at its address determined as provided in this Section 12.9.

(a) Addresses. All notices and other communications under this Declaration shall be given to the parties hereto at the following addresses:

(i) If to an Owner, then to the last address for such Owner shown in the Association's records.

(ii) If to Declarant or to the Association, then to Declarant or the Association at:

Otter Run Development LLC
64455 Research Road
Bend, Oregon 97701
Attn: Alan Laurie

(b) Change of Address. Any party hereto may change the address to which notices shall be directed by giving ten days' written notice of such change delivered as provided herein.

RIVER BEND LIMITED PARTNERSHIP,
an Oregon Limited Partnership

By: The Bend Company, an Oregon corporation

By: *William L. Smith*
William L. Smith, President

STATE OF OREGON)
) SS
COUNTY OF DESCHUTES)

This instrument was acknowledged before me on January 28, 2003, by
William L. Smith as President of The Bend Company, the general partner of River Bend Limited
Partnership.



Charlene J. Hasha
Notary Public for Oregon
My commission expires: *Nov. 18, 2005*

EXHIBIT A

A PARCEL OF LAND LOCATED IN THE NORTHWEST ONE-QUARTER (NW 1/4) OF SECTION 5, IN TOWNSHIP 18 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, CITY OF BEND, DESCHUTES COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE "INITIAL POINT" MARKING THE WESTERLY END OF THAT CERTAIN COURSE IN THE NORTHERLY BOUNDARY OF LOT 11 SHOWN AS "N66°25'39"W, 213.93' " ON THE PLAT OF NORTHSIDE TERRACE AS FILED ON JUNE 30, 1998 IN PLAT CABINET E PAGES 60-64 IN THE OFFICE OF THE DESCHUTES COUNTY CLERK, THENCE ALONG THE BOUNDARY OF SAID LOT 11 BY THE FOLLOWING EIGHTEEN COURSES:

SOUTH 66°25'39" EAST, 213.93 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; BEING ALSO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 300.00 FEET; THENCE, EASTERLY ALONG SAID CURVE AN ARC LENGTH OF 78.86 FEET, THROUGH A CENTRAL ANGLE OF 15°03'37" TO A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS SOUTH 73°59'37"EAST, 78.63 FEET; THENCE, SOUTH 81°29'38" EAST, 112.98 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; THENCE, SOUTH 08°35'12" WEST, 19.02 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 5.00 FEET; THENCE, SOUTHEASTERLY ALONG SAID CURVE AN ARC LENGTH OF 7.89 FEET, THROUGH A CENTRAL ANGLE OF 90°24'42" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS SOUTH 37°29'56" EAST, 7.10 FEET; THENCE, SOUTH 81°40'41" EAST, 11.89 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; THENCE, SOUTH 02°11'42" EAST, 35.24 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; BEING ALSO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 500.00 FEET; THENCE, SOUTHERLY ALONG SAID CURVE AN ARC LENGTH OF 74.27 FEET THROUGH A CENTRAL ANGLE OF 8°30'37" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS SOUTH 06°17'24" EAST, 74.20 FEET; THENCE, SOUTH 11°05'05" EAST, 34.07 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; THENCE, SOUTH 72°14'11" WEST, 123.50 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; BEING ALSO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 150.00 FEET; THENCE, WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 81.80 FEET THROUGH A CENTRAL ANGLE OF 31°14'41" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; THE CHORD OF SAID CURVE BEARS SOUTH 86°11'23" WEST, 80.79 FEET; THENCE, SOUTH 70°45'31" WEST, 94.49 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA"; BEING ALSO THE BEGINNING OF A CURVE, CONCAVE

NORTHERLY, HAVING A RADIUS OF 50.00 FEET; THENCE, WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 66.63 FEET THROUGH A CENTRAL ANGLE OF 76°21'23" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS NORTH 71°14'51" WEST, 61.81 FEET; BEING ALSO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1000.00 FEET; THENCE, NORTHWESTERLY ALONG SAID CURVE AN ARC LENGTH OF 340.14 FEET THROUGH A CENTRAL ANGLE OF 19°29'19" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS NORTH 42°40'57" WEST, 338.51 FEET; BEING ALSO THE BEGINNING OF A REVERSE CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 40.00 FEET; THENCE, NORTHERLY ALONG SAID CURVE AN ARC LENGTH OF 90.56 FEET THROUGH A CENTRAL ANGLE OF 129°42'38" TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "HWA", THE CHORD OF SAID CURVE BEARS NORTH 12°37'08" EAST, 72.42 FEET; THENCE, NORTH 77°42'46" EAST, 126.25 FEET TO A 5/8" IRON ROD; THENCE, SOUTH 67°32'37" EAST, 21.47 FEET TO A 5/8" IRON ROD; THENCE, NORTH 23°32'35" EAST, 9.41 FEET TO THE INITIAL POINT OF THIS DESCRIPTION. CONTAINING 127,322 SQUARE FEET (2.92 ACRES), MORE OR LESS.