

COMPREHENSIVE PLAN FOR RIMROCK WEST

(A Statement of the plan of R. C. Crum & Associates for the development of portions of Rimrock West, containing among other things provisions which will subject portions thereof to certain easements, restrictions, assessments, fines, penalties and liens.)

OBJECTIVES

Rimrock West is a development consisting of approximately 136 acres located in Deschutes County, Oregon. Rimrock West is owned by R. C. Crum & Associates, an Oregon company hereinafter called the developer.

Developer hopes to create in Rimrock West a planned community which will provide a particularly attractive place to live, appealing especially to those who wish to live close to a metropolitan area, enjoy metropolitan conveniences and yet at the same time have all the advantages of relaxed outdoors living for which Central Oregon is so justly famous.

Developer conceives that those living in Rimrock West may enjoy these many advantages on a relatively economical basis, through a provision for shared cost for a common recreational and service facilities. Therefore, the developer expects to provide common areas which will be available for use by all of the residents of Rimrock West and their guests. Special recreational facilities suitable for common use with or without charge may be established on some of the common areas.

By providing standards for the improvement of private areas within Rimrock West, developer hopes to assure that property within Rimrock West will have maximum value for those who acquire it. By requiring proper maintenance of improvements and grounds within private areas within Rimrock West, developer hopes to prevent deterioration of the value of the property as a result of carelessness on the part of any property owner in Rimrock West.

The developer will provide leadership in organizing and administering Rimrock West during the development period, but expects property owners in Rimrock West to accept responsibility for community administration by the time the development is complete. By the time the development is complete, the developer will have conveyed to the Rimrock West association title to all common areas and private ways.

Funds for the maintenance and development of common areas, private ways and certain other areas generally will be provided through assessments against those who purchase property, although to assist with the development of Rimrock West, developer may from time to time provide some of the improvements. For the protection of all owners of property, there will be a system designed to assure that each person who purchases property will pay a share of the monies necessary for the maintenance and development of common areas, private ways, leased scenic areas if any and semi-public recreational areas, if any.

By adoption of the plan for Rimrock West, developer is not committing himself to take any action for which definite provision is not made below.

The following is the Plan for Rimrock West

SECTION I

Definitions

When used herein the following terms shall have the following meanings:

- 1.1 "Manager" shall mean developer until such time as developer has delegated and assigned to The Rimrock West Association all of developer's powers and responsibilities given to or imposed upon it hereunder, has conveyed to The Rimrock West Association all of its right, title and interest in the common areas, private ways, private recreational areas, leased scenic areas and semi-public recreational or service areas in all of Rimrock West and has transferred to The Rimrock West Association all monies in the maintenance fund, after which the manager shall be The Rimrock West Association.
- 1.2 "Common area" shall mean any area which is designated as such in a subdivision plat of an area in Rimrock West declaration.
- 1.3 "Condominium" shall mean any property submitted to unit ownership in the manner provided by ORS 91.505 through 91.675 as such statutes may be amended.
- 1.4 "Architectural Committee" shall mean the committee appointed pursuant to the provisions of Section 8 herein.
- 1.5 "Developer" shall mean R. C. Crum & Associates, its successors or assigns.
- 1.6 "Guest" shall mean any person who is in Rimrock West at the invitation of a resident of Rimrock West and who, to the extent required by the Rimrock West Rules and Regulations, either is accompanied by a resident of Rimrock West or has in his possession a guest card issued by the manager of Rimrock West which has not expired.
- 1.7 "Leased scenic area" should any be acquired shall mean any area held by the manager of Rimrock West for the benefit of residents of Rimrock West as provided in Section 4.7 herein.
- 1.8 "Maintenance assessment" shall mean any assessment imposed in accordance with the provisions of Section 7 herein.
- 1.9 "Maintenance fund" shall mean the fund to be established pursuant to Section 7 herein.
- 1.10 "Plan for Rimrock West" shall mean this instrument together with any amendments or supplements thereto.
- 1.11 "Private area" shall mean any area which is designated as such in a subdivision plat of Rimrock West or in a Rimrock West declaration.
- 1.12 "Private recreational area" shall mean any portion of a common area which is leased to unit owners for recreational purposes as provided in Section 4.5 herein.
- 1.13 "Private way" shall mean any area which is designated as such in a subdivision plat or Rimrock West declaration.

1.14 "Resident of Rimrock West" shall mean any person who is a unit owner or the leasee of a unit, together with members of his immediate family, provided that a person shall be a "resident of Rimrock West" only during periods in which he is in possession of his unit.

1.15 "Semi-public recreational or service area" shall mean any area devoted to a service or recreational facility which is made available for use by the public as well as by residents of Rimrock West as provided in Section 4.6 herein.

1.16 "Rimrock West" shall mean the real property described in Exhibit A attached hereto together with any additional area which hereafter may be owned by developer any portion of which shall lie within 10 miles of any portion of the property described on Exhibit A and with respect to which developer has filed a declaration in the records of deeds of Deschutes County, Oregon, providing that such property shall be part of Rimrock West.

1.17 "The Rimrock West Association" shall mean the association to be organized by developer pursuant to the provisions of Section 10 herein.

1.18 "Rimrock West declaration" shall mean any instrument provided for in Section 2 for the subjection of an area within Rimrock West to the Plan for Rimrock West.

1.19 "The Rimrock West Rules and Regulations" shall mean the rules and regulations adopted as provided in Section 6 herein.

1.20 "Unit" shall mean each lot described in any subdivision plat of Rimrock West which is designated as a private area, any condominium unit within Rimrock West and any single family dwelling unit within any multiple occupancy building contained within Rimrock West. Developer may specify additional areas which shall constitute "units" in any instrument subjecting property within Rimrock West to this Plan for Rimrock West. If in any case a unit owner shall have consolidated a lot or portion thereof with another lot in the manner set forth in Section 5 herein, then the area consolidated shall be considered one unit. Lots may be classified into two parts - the "buildable area" and the "open area." "Unit" means both the buildable area and open area of any lot which otherwise constitutes a unit.

1.21 "Unit Owner" shall mean the person or persons who hold legal title to any unit unless provision is made in the instrument creating Rimrock West that a lessee or other person entitled to possession of a unit shall be the unit owner, in which case the person so designated shall be the unit owner.

SECTION 11

Subject of Property to the Plan for Rimrock West

Property within Rimrock West may be subjected to the Plan for Rimrock West by either of the following methods:

2.1 Filing of declaration. Developer may file a declaration in the records of deed of Deschutes County, Oregon, providing that a particular area shall be subject to the Plan for Rimrock West, or

2.2 Statement in lease. Developer may state in any lease that an area described in the lease shall be subject to the Plan for Rimrock West.

SECTION III

Withdrawal of Property from the Plan for Rimrock West

3.1 Method of withdrawal. An area which has been subjected to the Plan for Rimrock West may be withdrawn therefrom by either of the following methods:

- (a) The owners of all of the property in an entire area subjected to the Plan for Rimrock West pursuant to a declaration as provided in Section 2.1 hereof may file a declaration stating that the area is withdrawn from the Plan for Rimrock West.
- (b) Property subjected to the Plan for Rimrock West pursuant to a lease as provided in Section 2.2 hereof shall be withdrawn from the Plan for Rimrock West automatically upon termination or expiration of the lease pursuant to which the property was subjected to the Plan for Rimrock West except to the extent that provision to the contrary is made in such lease.

3.2 Effect of withdrawal. Withdrawal of an area from the Plan for Rimrock West shall have the following effects:

- (a) No person who does not own property within the area which is withdrawn shall any longer be entitled to use any of the common areas within the area withdrawn.
- (b) Unit owners within the area which has been withdrawn shall no longer be entitled by virtue of ownership of their units and of the provisions of this Plan for Rimrock West to use any common areas or semi-public recreational or service areas in any area which remains subject to the Plan for Rimrock West.
- (c) Following withdrawal of an area from the Plan for Rimrock West the manager of Rimrock West shall no longer expend monies from the maintenance fund for any purpose within the area which is withdrawn except for the maintenance of any private ways referred to in subparagraph (e) of this Section 3.2, even though some part of such fund was contributed by unit owners within the area which has been withdrawn.
- (d) Unit owners within the area which has been withdrawn shall no longer be subject to maintenance assessments. They shall, however, remain liable for all maintenance assessments due prior to the time of withdrawal and withdrawal shall not affect the right of the manager of Rimrock West to enforce assessments made prior to the time of withdrawal by imposition of a lien or otherwise.
- (e) The manager of Rimrock West may vacate any private ways within the area which is withdrawn which are not necessary for the purpose of providing access to a unit by a unit owner whose unit remains subject to the Plan for Rimrock West. Within such limits the manager may vacate a private way by filing a declaration to that effect in the Records of Needs of Deschutes County, Oregon setting forth with particularity the private ways which are vacated. Following vacation the manager shall not expend monies from the maintenance fund for the maintenance of the private ways which were vacated.

SECTION IV

Land Classifications and Uses within Rimrock West

4.1 Classifications presently contemplated. Land classifications presently contemplated within areas to be subjected to the Plan for Rimrock West are private areas, common areas, private ways, public roads and streets, private recreational areas, with the possibility of semi-public recreational or service areas, and leased scenic areas. Developer reserves the right to create and make provision for additional land classifications in any Rimrock West declaration. The manager of Rimrock West will hold and retain title to common areas, private ways, private recreational areas, leased scenic areas and semi-public recreational or service areas subject, however, to the right of residents of Rimrock West and others to use such areas as herein provided.

4.2 Private areas. Restrictions on and rules and regulations governing the use of private areas within Rimrock West shall be set forth in the Rimrock West declaration. By accepting a deed or lease to a private area within Rimrock West the grantee will be deemed to have covenanted that he will use and permit the use of the property only in accordance with, and that he will abide by and cause all those who come upon his premises to abide by the restrictions, covenants and conditions contained in the Plan for Rimrock West and in the Rimrock West declaration, and in the rules and regulations promulgated thereunder, that he will pay to the manager of Rimrock West all amounts provided for in the Plan for Rimrock West and in such Rimrock West declaration and that his property will be subject to a lien or liens as provided in such instruments. For the protection of all residents of Rimrock West the manager of Rimrock West will be generally responsible for the enforcement of such restrictions, covenants, conditions, rules and regulations.

4.3 Private Ways. Each unit owner and each resident of Rimrock West is hereby granted a nonexclusive easement to use private ways for the purpose of walking thereon or traveling thereon by appropriate means. Each resident of Rimrock West may permit his guests and invitees to use the private ways for such purposes. The easement herein granted shall be appurtenant to and assignable with the unit with respect to which it is granted, but shall not otherwise be assignable. Use of private ways shall be subject to the Rimrock West Rules and Regulations. The manager of Rimrock West in its discretion may dedicate private ways to the public. The manager also may grant free access on private ways to police fire and other public officials, to employees of utility companies serving Rimrock West and to such other persons to whom the manager believes access should be given for the benefit of the residents of Rimrock West. Developer may use the private ways for its own purposes and for the purpose of location of utilities thereon. By granting the right to residents of Rimrock West and others to use private ways Developer does not intend to dedicate private ways to the public but rather intends to preserve the private character of such ways. The manager shall be deemed to have dedicated such ways to the public only if it shall file in the records of Deschutes County an instrument clearly evidencing its intention to dedicate such ways to the public.

4.4 Common areas. Each resident of Rimrock West is hereby granted a nonexclusive easement to use common areas for such recreational purposes as may be permitted by the Rimrock West Rules and Regulations and in the manner permitted therein. Each resident of Rimrock West may permit his guests to use common areas for such

purposes and in such manner. Common areas shall not be platted or otherwise divided into parcels for residential use. The manager of Rimrock West may develop special recreational or service facilities on portions of the common areas for the general use and benefit of all residents of Rimrock West and their guests. The manager may from time to time permit residents of Rimrock West to use designated portions of common areas for recreational or service uses of benefit to such residents only (as, for example, maintaining a volley ball or badminton court) provided that such permission shall be revocable at any time. The easement and rights herein granted shall be appurtenant and assignable with the unit in respect of which it is granted, but shall not otherwise be assignable. The manager in his discretion may dedicate common areas to the public for park purposes and may use common areas for the purpose of location of utilities thereon. The manager may bar any unit owner, members of his family and his guests from using common areas during periods in which the unit owner's maintenance assessments are delinquent.

4.5 Private recreational areas. It may be that a group of unit owners will wish to use a portion of the common areas to develop a facility such as a swimming pool or tennis court for their private use. The manager of Rimrock West may lease a portion of the common areas to a group of not less than five unit owners who wish to develop the same for their private recreational use subject to the following conditions:

- a) The rentals received pursuant to the lease must be added to the maintenance fund.
- b) Not more than 10 per cent of the common area in Rimrock West may be so leased at any one time.
- c) The lease shall provide that the lessees shall use the leased area solely for the development of a recreational facility thereon.
- d) The lease shall preclude the lessees from operating a private recreational facility on the leased premises for profit or from permitting anyone other than residents of Rimrock West and their guests from using the facility.
- e) The lease shall provide that the lessees will erect or construct a designated recreational facility on the leased premises within a specified time in accordance with standards to be fixed by the Architectural Committee and that they shall maintain the improvement at their expense in accordance with standards which shall be fixed by the Architectural Committee.
- f) The lease shall provide that ad valorem taxes assessed against any improvement constructed on a private recreational area shall be borne by the lessees.

No person shall be excused from paying any part of the maintenance assessment by virtue of his use of a private recreational area in lieu of a facility available to all residents of Rimrock West.

4.6 Semi-public recreational or service areas. Developer believes that it may at some future date be possible to make certain kinds of recreational and service facilities available to the residents of Rimrock West on an economical

basis only if the general public is allowed to use the facilities along with the residents of Rimrock West on a free basis. Therefore, developer may subject areas to the Plan for Rimrock West which will constitute "semi-public recreational or service areas" if each of the following conditions is met:

- a) Provision must be made for the use of the facility by the residents of Rimrock West and their guests in the manner permitted by the Rimrock West Rules and Regulations.
- b) Fees charged residents of Rimrock West and their guests for the use of the facility may be no higher than those charged members of the public for an equivalent use or service.
- c) Any net cash profits from the operation of the facility must be added to the maintenance fund.

The manager shall be free to convert any semi-public recreational or service area into a common area on either a permanent or temporary basis at any time it deems this desirable.

SECTION V

Consolidation of lots within Private Areas

Whenever a person shall own all of a lot restricted to single family residence use within a private area (the "basic lot"), together with one or more contiguous lots or contiguous portions thereof also restricted to single family residential use (the "additional lot" or "additional portion") and shall wish to consolidate the basic lot and the additional lot or additional portion, he may do so. The consolidation shall be effected by the owner's filing in the records of deeds of Deschutes County, Oregon, a declaration stating that the two areas are consolidated.

The consolidation provided for in this section shall have the following effects:

- a) The consolidated areas shall constitute one unit for all purposes under the Plan for Rimrock West and under the Rimrock West declaration.
- b) The entire consolidated area may be used for the construction of only one residence thereon.
- c) No residence or other structure may be placed upon the remainder of a lot, a portion of which was consolidated with another lot but which remainder has not been consolidated with another lot, unless the area of such remainder constitutes at least 95 per cent of the original area of the lot.
- d) Areas which have once been consolidated may at no time in the future be partitioned.

SECTION VI

Rimrock West Rules and Regulations

In the exercise of its powers and in the performance of its obligations pursuant to the Plan for Rimrock West and of any Rimrock West declaration the manager of Rimrock West may adopt, amend or repeal rules and regulations to be known as the Rimrock West Rules and Regulations, to provide for the manner in which common areas (including special recreational facilities established thereon), private ways, semi-public recreational or service areas and any other areas which all residents of Rimrock West are entitled to use shall be used. To the extent provided in a Rimrock West declaration the Rimrock West Rules and Regulations may provide for the manner in which private areas may be used.

The Rimrock West Rules and Regulations may, among other things, provide for any of the following:

- a) For speed and other traffic controls, safety patrols, parking controls, and restrictions upon the type of vehicles which may use private ways;
- b) As to the spaces within common areas which may be used for particular recreational or service purposes and as to the times and manner in which such spaces may be used;
- c) For charges for use of recreational facilities and for services to be supplied by the manager of Rimrock West to be applied uniformly to all residents of Rimrock West and their guests;
- d) For the control of noise, for litter control and trash disposal and for the personal conduct of residents of Rimrock West and their guests while in the common areas, private ways and semi-public recreational or service areas;
- e) For the conditions upon which guests of residents of Rimrock West will be entitled to use common areas, private ways and semi-public recreational or service areas and for the terms and conditions upon which cards will be issued.

All rules and regulations must be applicable on a nondiscriminatory basis. However, provisions uniformly applicable to a class of persons, such as children of particular ages, will not be deemed discriminatory. A current copy of the Rimrock West Rules and Regulations shall be kept on file at the principal office of the manager at all times. Such Rules and Regulations shall have the same force and effect as if set forth herein as part of the Plan for Rimrock West.

SECTION VII

Maintenance and Development Fund

7.1 Imposition of regular assessments. The manager of Rimrock West shall have the right to impose an assessment against each unit owner within Rimrock West in an amount not in excess of \$15 per month for each unit owned by each unit

owner, unless such amount shall be increased as provided in Sections 7.2 or 7.3 herein. Such assessments shall be applied uniformly to all unit owners except that developer shall not be assessed with respect to a unit owned by it upon which no dwelling house has been erected, no assessment shall be imposed with respect to a condominium unit which has never been sold or rented and no assessment shall be imposed against a rental unit in a multioccupancy building which has never been rented. On or before December 1 of each year the manager shall fix the amount of the assessment to be imposed during the ensuing calendar year and shall notify each person who is then a unit owner of the amount of the assessment to be imposed for such year. Any unit owner who shall pay the assessment to be imposed for all 12 months of the ensuing calendar year prior to January 1 of such year shall be entitled to a discount in the amount of 5 per cent of the gross amount assessed for such 12-month period. Assessments which are not so prepaid shall be paid on or before the first day of the month with respect to which they are imposed. In the event that a person shall acquire a unit or his unit shall first become subject to assessment during the course of a calendar year his first assessment shall come due on the first day of the month following the month during which he has acquired his unit or during which the unit first became subject to assessment.

7.2 Cost of living adjustment in maximum amount of maintenance assessments. The maximum amount of the maintenance assessments provided in Section 7.1 shall be increased by 5 per cent for each 5 per cent increase occurring after January 1, 1972 over the level on January 1, 1972 of the United States, Department of Labor, Bureau of Labor Statistics, Consumer Price Index, All Items, United States City Average (1957-1959 equals 100), or the successor of such index.

7.3 Increase in maximum amount of maintenance assessments with consent of unit owners. In the event that the manager shall deem the maintenance fund to be inadequate for the purposes for which it is to be maintained, taking into account the need for reasonable reserves for special purposes, the annual maintenance assessment may be increased above the amounts provided for in Sections 7.1 and 7.2, provided that such increase shall have been approved in writing by unit owners owning at least 60 per cent of the units within Rimrock West which are subject to assessment.

7.4 Special purpose assessments. In the event that the manager of Rimrock West deems it to be to the advantage of the residents of Rimrock West to impose a special purpose assessment to provide funds for the development of a particular 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 in writing by the unit owners, other than developer, owning at least 60 per cent of the units which will be subject to the assessment. All special purpose assessments shall be applied uniformly to all unit owners, including developer. In the event that such an assessment is imposed the manager shall add the monies derived therefrom to the maintenance fund, but shall keep the same in a special account and shall use the same only for the purposes set forth in the instrument by which the unit owners consented to the special assessment.

7.5 Maintenance fund. The manager shall keep all monies which it may collect from maintenance assessments together with all other monies which it is required to add to the maintenance fund pursuant to the provisions hereof or of any

Rimrock West declaration in a separate fund to be called the "maintenance fund," and shall use the monies in the maintenance fund only for the following purposes:

- a) Payment of the cost of maintaining and developing private ways (including streetlights, entrance and other signs), common areas, semi-public recreational or service areas available for use by all of the residents of Rimrock West.
- b) Payment of taxes and assessments levied against private ways, common areas, semi-public recreational or service areas, leased scenic areas and the improvements thereon.
- c) Payment of the cost of providing patrol, water, sewage disposal service, garbage and trash disposal, if provided.
- d) Payment of the cost of insurance, including insurance protecting the manager of Rimrock West, the Architectural Committee, The Rimrock West Association against liability arising out of their functions and activities in the administration of the Plan for Rimrock West.
- e) Payment of the cost of enforcing the provisions contained in the Plan for Rimrock West, the Rimrock West Rules and Regulations, and the covenants and provisions contained in any Rimrock West declaration.
- f) Payment to The Rimrock West Association costs incurred in the performance of any obligation of the manager of Rimrock West which has been delegated to The Rimrock West Association.
- g) Payment of fees of the professional members of the Architectural Committee and of expenses incurred by the Architectural Committee.
- h) Payment for other services which the manager deems to be of general benefit to resident of Rimrock West.
- i) Payment of costs incurred in collecting maintenance assessments.
- j) Payment of expenses incurred in organizing The Rimrock West Association and of maintaining the same as corporation.
- k) Payment of any expense reasonably incurred by the manager in carrying out any function for which it has been given responsibility hereunder.
- l) Payment to the manager of Rimrock West of a portion of its overhead reasonably attributable to the performance of the functions set forth in a) through k) above.

Included among the monies which are to be paid into the maintenance fund are all maintenance assessments, fines, penalties, fees for use of recreational or service facilities located on common areas or semi-public recreational or service areas, Architectural Committee fees, rentals from leases of private recreational areas or leased scenic areas, interest on amounts payable into

the maintenance fund and payments to reimburse the manager for monies expended from the maintenance fund. Except as stated above no part of the maintenance fund will inure to the benefit of developer.

7.6 Annual accounting. Within 90 days following the close of each calendar year the manager shall render to each unit 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 manager of Rimrock West 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 unit owner or by an officer of The Rimrock West Association at any reasonable time during normal business hours.

SECTION VIII

Architectural Committee

8.1 Function of Architectural Committee. The Architectural Committee shall exercise the functions for which it is given responsibility in any Rimrock West declaration and in this Plan for Rimrock West. Generally, the Architectural Committee will be responsible for the approval of plans and specifications for the development of private areas and for the promulgation and enforcement of rules and regulations governing the use and maintenance of private areas and the improvements thereon.

8.2 Members: term and removal. The Architectural Committee shall consist of as many persons, not less than three, as the manager of Rimrock West may from time to time appoint. The manager may remove any member of the Architectural Committee from office at any time and may appoint new or additional members at any time. The manager shall keep on file at its principal office a list of the names and addresses of the members of the Architectural Committee.

8.3 Action. Except as otherwise provided herein, any two members of the Architectural Committee shall have power to act on behalf of the Committee, without the necessity of a meeting and without the necessity of consulting the remaining members of the Committee. The Committee may render its decisions only by written instrument setting forth the action taken by the members consenting thereto.

8.4 Failure to act. If at any time the Architectural Committee shall for any reason fail to function, the manager shall have complete authority to serve as *pro tem* Architectural Committee.

8.5 Duties and rules. The Architectural Committee shall consider and act upon all matters properly submitted to it pursuant to the Plan for Rimrock West or in any Rimrock West declaration. In furtherance of this function, the Architectural Committee may, by unanimous vote, from time to time and in its sole discretion adopt, amend and repeal rules and regulations to be known as the "Architectural Committee Rules" establishing its operating procedures and interpreting, detailing and implementing the provisions of the instruments pursuant to which it is charged with responsibility. The Architectural Committee may establish a reasonable fee to be paid to it to cover its costs incurred in considering and acting upon matters submitted to it. Such fees shall be paid into the

maintenance fund. A current copy of the Architectural Committee Rules shall be kept on file at the principal office of the manager of Rimrock West at all times. Such rules shall have the same force and effect as if set forth herein as part of the Plan for Rimrock West.

8.6 Nonwaiver. Consent by the Architectural Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent.

8.7 Estoppel certificate. Within 30 days after written demand therefor by a unit owner the Architectural Committee shall execute and deliver to the unit owner requesting the same an estoppel certificate certifying with respect to the unit of such unit owner that as of the date of the certificate either a) all improvements and other work within said unit comply with the Plan for Rimrock West and with all restrictions and rules and regulations adopted in or pursuant to any Rimrock West declaration, or b) that such improvements and work do not so comply for reasons specified in the certificate. Any purchaser or mortgagee of a unit may rely on such certificate with respect to the matters set forth therein, such matters being conclusive against the manager of Rimrock West and all unit owners in Rimrock West.

8.8 Liabilities. Neither the Architectural Committee nor any member thereof shall be liable to any unit owner or the manager of Rimrock West for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Committee or a member thereof, provided only that the member, in accordance with actual knowledge possessed by him, has acted in good faith.

SECTION IX

Manager of Rimrock West

9.1 Powers and responsibilities of the manager. In addition to such other powers and responsibilities as shall be given to or imposed upon it by this Plan for Rimrock West and by any Rimrock West declaration, the manager of Rimrock West shall have the following powers and responsibilities:

- a) The manager shall be responsible for maintaining all private ways, common areas, semi-public recreational or service areas, leased scenic areas and the improvements thereon.
- b) The manager shall be responsible for the construction of such improvements on the private ways, common areas, leased scenic areas and semi-public recreational or service areas as it deems will be of benefit to the residents of Rimrock West and their guests in accordance with the Rimrock West Rules and Regulations.
- c) The manager shall be responsible for the enforcement of all covenants and restrictions contained in the Plan for Rimrock West and in any Rimrock West declaration.
- d) The manager shall be responsible for the promulgation and enforcement of the Rimrock West Rules and Regulations and the enforcement of the Architectural Committee Rules and the decisions of the Architectural Committee.

- e) The manager shall be responsible for the payment of all ad valorem taxes and assessments imposed on any of the common areas, private ways, leased scenic areas or semi-public recreational or service areas within Rimrock West.
- f) The manager shall be responsible for the provision of such services to the residents of Rimrock West as it shall deem to be of benefit to the residents of Rimrock West.
- g) The manager shall be responsible for procuring and maintaining insurance on all improvements constructed on the common areas, leased scenic areas or semi-public recreational or service areas.
- h) The manager shall be responsible for collection of maintenance assessments, fines and penalties, and such assessments as may be levied within Rimrock West in the manner provided in a Rimrock West declaration.
- i) The manager shall be responsible for the fixing of fees for use of recreational and service facilities within the common areas and in the semi-public recreational or service areas and for the collection thereof. All such fees shall be paid into the maintenance fund.

9.2 Delegation of functions. The manager of Rimrock West may at any time delegate to The Rimrock West Association responsibility for the performance of any duty or function of the manager of Rimrock West and The Rimrock West Association shall accept such responsibility, provided that the manager shall arrange to pay to The Rimrock West Association the expenses which it shall reasonably incur in the performance of such duty or function.

9.3 Limitation of Liability. The manager of Rimrock West shall not be liable for failure to carry out any responsibility enumerated in Section 9.1 herein or elsewhere in the Plan for Rimrock West in cases in which there are not sufficient monies in the maintenance fund to enable it to carry out its responsibility. The manager shall have sole power to determine for which authorized purposes monies in the maintenance fund shall be spent including the power to determine how much shall be held in reserve. Neither the manager nor any employee thereof shall be liable to any unit owner, to any resident of Rimrock West, to The Rimrock West Association on account of any action or failure to act of the manager, provided only that in accordance with actual knowledge possessed by it, it has acted in good faith.

9.4 Required transfer of functions. At such time as the developer deems it desirable or in any event when the development of Rimrock West is substantially completed developer will delegate and assign to The Rimrock West Association all of its powers and responsibilities given to or imposed upon it by this Plan for Rimrock West or by any Rimrock West declaration, will convey to The Rimrock West Association all of its right, title and interest in and to the private ways, common areas, private recreational areas and semi-public recreational or service areas and will transfer over to The Rimrock West Association all monies then in the maintenance fund and The Rimrock West Association shall accept the same. The development of Rimrock West shall be deemed to be substantially complete at the earlier of a) the time when developer shall declare it to be so; b) the time when developer shall have sold, leased or converted into common areas,

private ways, private areas, semi-public recreational or service areas, leased scenic areas or public streets, roads or parks, 90 per cent of the total land area within Rimrock West; or c) January 1, 1982.

SECTION X

The Rimrock West Association

Developer expects to delegate from time to time to an association representing all unit owners within Rimrock West responsibilities which developer has assumed pursuant to this Plan for Rimrock West and as provided in Section 9.4, eventually will delegate to such association all of its responsibilities to the end that the association shall become the administrator of Rimrock West. In order to facilitate the accomplishment of such purposes developer shall organize an association to represent all unit owners within Rimrock West not later than January 1, 1976. Developer shall have the right to organize the association on such basis as shall appear to developer to be most advantageous to the unit owners of Rimrock West at the time of organization subject, however, to the following conditions:

- a) The association shall be incorporated as a nonprofit corporation under the general nonprofit corporation laws of the State of Oregon.
- b) The articles of incorporation of the association shall provide for its perpetual existence, but in the event the association shall at any time be dissolved, whether inadvertently or deliberately, it shall immediately be succeeded by an unincorporated association of the same name. In that event all of the powers and obligations of the incorporated association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association, which vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible any such successor unincorporated association shall be governed by the articles of incorporation and bylaws of the incorporated association as if they had been made to constitute the governing documents of the unincorporated association.
- c) The articles of incorporation of the association shall provide for representation of each unit owner in Rimrock West on one of the following bases:

- 1) The articles may provide that each unit owner shall be a member of the association with one vote for each unit owned by him;

The articles shall provide that representation of each unit owner through membership in the association on one of the others set forth above shall commence, exist and continue simply by virtue of ownership of a unit, shall expire automatically upon termination of such ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

- d) The articles of incorporation shall provide that the association will at any time and from time to time accept any responsibilities of developer contained in the Plan for Rimrock West which developer may delegate to the association, provided that developer shall provide funds from the maintenance fund to the association necessary to

enable it to carry out the responsibilities which it assumes. Also, the articles of incorporation shall provide that the association will accept title to the private ways, common areas, leased scenic areas and semi-public recreational or service areas within Rimrock West at such time as developer may elect to convey the same to the association.

- e) The articles of incorporation of the association shall provide that the association shall exercise and perform all of the following powers and obligations:
 - 1) The powers and obligations delegated, conveyed or otherwise assigned to the association by developer;
 - 2) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon; and
 - 3) Any additional or different powers and obligations necessary or desirable for the purpose of carrying out the functions of the association pursuant to the Plan for Rimrock West or otherwise promoting the general benefit of unit owners within Rimrock West.
- f) The articles of incorporation of the association shall be subject to amendment as provided in the Oregon nonprofit corporation law and the bylaws of the association shall be subject to amendment by the board of directors of the association.

Neither the association nor any officer or director thereof shall be liable to any unit owner, to developer, for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the association, provided only that the association, in accordance with actual knowledge possessed by it, has acted in good faith.

SECTION XI

Enforcement

11.1 Enforcement of Rimrock West Rules and Regulations. It will be important to the residents of Rimrock West that the Rimrock West Rules and Regulations be enforced in as impartial and uniform manner as practicable. In most cases it will not be desirable to resort to the public authorities for the enforcement of these rules and regulations. Therefore, the manager of Rimrock West may impose penalties for the violation of the Rimrock West Rules and Regulations within the following limits:

- a) The manager may impose a fine upon the resident of Rimrock West who has violated or whose guest has violated a rule or regulation in an amount not to exceed the sum of \$35 for any one violation. If such fine is not paid by the person upon whom it is imposed, it shall be paid by the unit owner who by virtue of his ownership of a unit caused the person upon whom the fine was imposed to be a resident of Rimrock West.

- b) The manager may provide that a person who has violated a rule or regulation shall be deprived of his right to use the common areas, semi-public recreational or service areas or any specified parts of either for a period of not to exceed one year on account of any one violation. Such penalty shall become effective ten days after delivery by the manager of notice thereof to the person upon whom it is imposed.

11.2 Violation of Rimrock West declaration by nonqualifying improvement. In the event any unit owner constructs or permits to be constructed on his unit an improvement contrary to the provisions of a Rimrock West declaration or in the event that a unit owner maintains or permits any improvement, condition or other thing on his unit contrary to the provisions of a Rimrock West declaration, the manager of Rimrock West may no sooner than 60 days after delivery to such unit owner of written notice of the violation enter upon the offending unit and remove the cause of such violation, or alter, repair or change the item which is in violation of such declaration in such manner as to make it conform thereto. The manager may charge such unit owner for the entire cost of the work done by it pursuant to this section. Such amount shall become payable upon delivery by the manager to the unit owner of notice of the amount due, and shall be paid into the maintenance fund to the extent that the costs being reimbursed were paid out of the maintenance fund.

11.3 Violation of Rimrock West declaration relating to landscaping. In the event that any unit owner fails to comply with the provisions of a Rimrock West declaration limiting the removal of trees and shrubs, the manager of Rimrock West may impose on such unit owner a fine in an amount not to exceed \$25 for each shrub removed in violation of such declaration and not to exceed \$25 per inch of the diameter of the stump of each tree removed in violation of such declaration. The manager may also restore the original landscaping insofar as is reasonably possible and charge the unit owner for the entire cost involved in such restoration. Such costs shall become payable upon delivery by the manager to the unit owner of notice of the amount thereof and shall be paid into the maintenance fund to the extent that amounts being reimbursed were paid out of the maintenance fund.

11.4 Violation of Rimrock West declaration by prohibited activity. In the event that any unit owner shall violate a provision of a Rimrock West declaration relating to the activities which may be conducted on his unit or if any person on the unit with the permission of the unit owner shall violate such a provision the manager of Rimrock West may impose a fine upon such unit owner in an amount not to exceed \$35 for any one violation.

11.5 Pay of fines. Each fine imposed pursuant to Sections 11.1, 11.3 or 11.4 shall become payable by the person upon whom it is imposed ten days after delivery by the manager of notice thereof to the person by whom it is payable. Each notice of fine shall refer to the rule, regulation or provision which has been violated and set forth a succinct statement of the conduct which the manager claims has violated such rule, regulation or restriction. All fines shall be paid into the maintenance fund.

11.6 Appeals. Any person upon whom a fine or penalty has been imposed pursuant to Sections 11.1, 11.3 or 11.4 who deems that such fine or penalty was unfairly imposed, either because he did not violate a rule, regulation or provision as

charged or because the fine or penalty imposed is unduly severe, may appeal from the imposition of the fine or penalty by filing a statement to that effect with the manager at any time before the fine becomes payable or the penalty effective.

11.7 Interest. Any amount not paid to the manager of Rimrock West when due in accordance with the Plan for Rimrock West or in any Rimrock West declaration shall bear interest from the date due until paid at the rate of 10 per cent per annum.

11.8 Default in payment of maintenance assessments, fines and charges. Each maintenance assessment, fine or charge levied or imposed pursuant to the Plan for Rimrock West or any Rimrock West declaration, together with interest thereon, shall be a separate, distinct and personal debt and obligation of the unit owner or resident of Rimrock West against whom the maintenance assessment, fine or charge is levied or imposed or from whom the amount is due. If a unit owner fails to pay any such fine, assessment or charge or any instalment thereof when due the unit owner shall be in default and the amount of the fine, assessment or charge not paid together with interest, costs and attorneys' fees as elsewhere provided for herein shall become a lien upon the unit or units owned by the person from whom the fine, assessment or charge is due upon the filing by the manager of Rimrock West in the records of mortgages of Deschutes County, Oregon, of a notice of lien setting forth the amount due and a description of the units against which the lien is imposed. Such lien shall not take effect until notice thereof has been so filed. Thus, such lien shall be subordinate to the lien of any mortgage upon any unit which is accepted in good faith and for value and which was recorded prior to the filing of the notice of lien. The manager of Rimrock West may commence proceedings to foreclose any such lien at any time within three years following the date of such filing.

11.9 Expenses and attorney's fees. In the event that the manager of Rimrock West shall bring any suit or action to enforce any provision contained in the Plan for Rimrock West or in a Rimrock West declaration to collect any money due to it thereunder or to foreclose a lien, the defendant in such suit or action shall pay to the manager all costs and expenses which the manager shall incur in connection with such suit or action, including a foreclosure title report, and such amount as the court may determine to be reasonable as attorneys' fees therein, including attorneys' fees incurred in connection with any appeal from a decision of the trial court or an intermediate appellate court.

11.10 Nonexclusiveness and accumulation of remedies. Election by the manager of Rimrock West to pursue any remedy provided for the violation of any provision of the Plan for Rimrock West or of a Rimrock West declaration shall not prevent concurrent or subsequent exercise of another remedy permitted thereunder or which is permitted by law. The remedies provided in the Plan for Rimrock West and in any Rimrock West declaration are not intended to be exclusive but shall be in addition to all other remedies, including actions for damages or suits for injunctions or for specific performance available under applicable law.

11.11 Right of entry. The manager of Rimrock West or any member of the Architectural Committee authorized by the manager may at any reasonable time, and from time to time at reasonable intervals, enter upon any unit within Rimrock West for the purpose of determining whether or not the use of such unit or any improvement thereon is then in compliance with the Plan for Rimrock West or any Rimrock West declaration. No such entry shall be deemed to constitute a trespass or otherwise to create any right of action in the unit owner or occupant of such parcel.

Miscellaneous Provisions

12.1 Amendment and repeal. With the consent of the manager of Rimrock West any provision of this Plan for Rimrock West may at any time be amended or repealed or provisions may be added by either of the following methods:

- a) Unit owners owning 75 percent of the units may consent in writing to the amendment or repeal of a provision or to the addition of a new provision; or
- b) The Rimrock West Association may consent to such amendment, repeal or addition.

The Rimrock West Association shall be deemed to have consented to the amendment or repeal of a provision contained in the Plan for Rimrock West or to the addition of a new provision if the following procedure shall have been followed:

- a) The board of directors of The Rimrock West Association shall have adopted a resolution setting forth the proposed amendment, provision for repeal or proposed additional provision and directing that it be submitted to a vote at a meeting of the members, which may be either an annual or a special meeting.
- b) Written notice setting forth the proposed amendment, provision for repeal or proposed additional provision, or a summary of the changes to be effected thereby, shall be given to each unit owner at least 60 days prior to the time of the meeting at which the proposed amendment, provision for repeal or proposed additional provision is to be considered.
- c) Written notice setting forth the proposed amendment, provisions for repeal or proposed additional provision, or a summary of the changes to be effected thereby, shall also be given to each member of The Rimrock West Association with his notice of the meeting of the members at which the proposed amendment, provision for repeal or proposed additional provision is to be considered.
- d) At the meeting of the members at which the proposed amendment, provision for repeal or proposed additional provision is to be considered, the proposed amendment, provision for repeal or proposed additional provision shall be submitted to a vote of the members. The proposed amendment, provision for repeal or proposed additional provision shall be adopted upon receiving two thirds of the votes entitled to be cast by all of the members of the Association.

Any amendment or repeal of a provision of the Plan for Rimrock West or additional provision shall become effective only upon the filing in the records of deeds of Deschutes County, Oregon, of a certificate of the manager of Rimrock West setting forth in full the amendment, amendments, additional provision or repeal approved as provided in this section and certifying that said amendment, amendments, additional provision or repeal have been approved in the manner required therefor herein.

12.2 Joint owners. In any case in which two or more persons share the ownership of any unit, regardless of the form of ownership, the responsibility of

such persons to comply with the provisions of the Plan for Rimrock West and the Rimrock West declarations shall be a joint and several responsibility. The act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interests provided, however, that in the event that 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 manager of Rimrock West or The Rimrock West Association, as the case may be, 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.

12.3 Construction; severability; number; captions. The Plan for Rimrock West shall be construed as an entire document to accomplish the purposes stated in the introductory paragraphs of the Plan. Nevertheless, each provision of the Plan for Rimrock West shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

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

12.4 Notices. Any notice permitted or required by the Plan for Rimrock West or any Rimrock West declaration may be delivered either personally or by mail. Delivery by mail shall be deemed to have been accomplished 24 hours after the notice has been deposited as certified or registered mail in the United States mail, with postage prepaid, addressed as follows:

If to developer, the Architectural Committee or the manager of Rimrock West:

R. C. Crum & Associates
Rte. 2, Box 133
Bend, Oregon 97701

If to a unit owner, at the address given by him at the time of his purchase of a unit or at the address of his unit within Rimrock West.

The address of any person may be changed by him at any time by notice in writing delivered as provided herein.

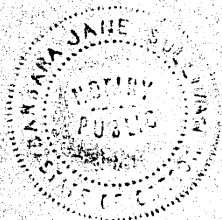
IN WITNESS WHEREOF R. C. Crum & Associates has caused this declaration setting forth the Plan for Rimrock West to be executed this 21st day of May, 1971.

R. C. CRUM & ASSOCIATES

By R. C. Crum

STATE OF OREGON)
) ss.
County of Deschutes)

On this 1st day of June 1971, personally appeared R. C. Crum who, being duly sworn, did say that he is owner of Rimrock West and that said instrument was signed and sealed in behalf of said company; and he acknowledged said instrument to be his voluntary act and deed.



Barbara J. Sullivan
Notary Public for Oregon
My Commission expires: 1-24-74

EXHIBIT A

Parcel 1: That portion of the Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 20, Township 17 South, Range 12, East Willamette Meridian lying westerly of the Deschutes River.

Parcel 2: That portion of the Southeast Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$), Section 17, Township 17 South, Range 12 East WM lying south and west of the Deschutes River.

Parcel 3: The Northwest Quarter of the Southwest Quarter (NW $\frac{1}{4}$ SW $\frac{1}{4}$) Section 17, Township 17 South, Range 12, East WM lying south of the Deschutes River.

Parcel 4: The Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$) Section 20, Township 17 South, Range 12 East Willamette Meridian.

1406

STATE OF OREGON
County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 8 day of Nov A.D. 1972 at 9:23 o'clock A M., and recorded in Book 189 on Page 872 Records of Deschutes

ROSEMARY PATTERSON

County Clerk

By David L. Holloway Deputy

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