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AFTER RECORDING RETURN TO:  
Mount Bachelor Village  
19717 Mt. Bachelor Drive  
Bend, OR 97702

355 - 2519

94-42137

**DECLARATION OF RIVER RIDGE TOWNHOMES  
OF MT. BACHELOR VILLAGE**

THIS DECLARATION is made this 13<sup>th</sup> day of  
OCTOBER, 1994, by Mount Bachelor Village Corporation, an  
Oregon corporation ("Declarant").

**O B J E C T I V E S**

Declarant owns property located in Mt. Bachelor Village  
in Deschutes County, Oregon. Declarant proposes to develop  
portions of this property as a townhome development to be known  
as River Ridge Townhomes of Mt. Bachelor Village.

Declarant has recorded the plat of River Ridge  
Townhomes of Mt. Bachelor Village, 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.

NOW, THEREFORE, Declarant hereby declares that the  
property covered in the plat of River Ridge Townhomes of  
Mt. Bachelor Village, 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. Declarant further declares that  
the property described on Exhibit A is hereby made subject to the  
Restated Mt. Bachelor Village Charter recorded February 9, 1987,  
in the Deschutes County Official Records as document number  
87-2348.

**ARTICLE 1**

**DEFINITIONS**

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

1.1 "Architectural Review Committee" means the  
Architectural Review Committee appointed pursuant to the Restated  
Mt. Bachelor Village Charter.

1.2 "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.

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1.3 "Building" means six duplex buildings situated on lots 1 through 12, River Ridge Townhomes of Mt. Bachelor Village together with any building containing Living Units on any property annexed pursuant to Section 2.2.

1.4 "Common Areas" means all areas designated as such or as "open space" or "private way" on the plat of River Ridge Townhomes including any Common Areas designated as such in any Supplemental Declaration.

1.5 "Declarant" means Mount Bachelor Village Corporation, an Oregon corporation, any person who succeeds to any special Declarant right and to whom all of the Declarant's ownership interest in River Ridge Townhomes 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 River Ridge Townhomes.

1.6 "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 River Ridge Townhomes, including landscaping, and every alteration, painting or reconstruction thereof.

1.7 "Living Unit" means the 12 Living Units included in the Buildings together with any units designated for separate residential occupancy annexed pursuant to Section 2.2.

1.8 "Lot" means a platted or legally partitioned lot, within River Ridge Townhomes.

1.9 "Manager" means the person with whom the Association contracts to provide management services pursuant to section 9.4.

1.10 "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.

1.11 "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. 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.

1.12 "Private Way" means any area which is designated as such in the plat of River Ridge Townhomes or in any Supplemental Declaration.

1.13 "River Ridge Townhomes" means the property designated in Section 2.1 of this Declaration and any property covered by any Supplemental Declaration recorded in accordance with Section 2.2.

1.14 "Supplemental Declaration" means an instrument annexing additional real property to River Ridge Townhomes.

## ARTICLE 2

### PROPERTY SUBJECT TO THIS DECLARATION

2.1 Initial Development. 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 initial development includes 12 Living Units.

2.2 Annexation of Additional Property. Declarant may from time to time and in its sole discretion annex to River Ridge Townhomes any portion of the property which is subject to or may be subjected to the Restated Mt. Bachelor Village Charter. Annexation of such property shall be accomplished as follows:

(a) Supplemental Declaration. Declarant shall record a Supplemental Declaration which shall be executed by or bear the approval of Declarant and shall, among other things, describe the real property to be annexed, establish any additional limitations, uses, restrictions, covenants, and conditions which are intended to be applicable to such property, and declare that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to this Declaration.

(b) Effect of Annexation. The property included in any such annexation shall thereby become a part of River Ridge Townhomes and subject to this Declaration, and the Declarant and the Association shall have and shall accept and exercise administration of this Declaration with respect to such property.

(c) Voting Rights. Upon annexation, additional Living Units so annexed shall be entitled to voting rights as set forth in Section 8.3 below.

(d) Adjustment of Association Expenses. The formula to be used for reallocating the common expenses if additional Living Units are annexed and the manner of reapportioning the common expenses if additional Living Units are annexed during a fiscal year are set forth in Section 10.5 below.

2.3 Declarant Improvements. Declarant agrees to build all improvements necessary for the Private Ways in River Ridge Townhomes. 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.

2.4 No Limitation on Annexation. There is no limitation on the number of Living Units which Declarant may create or annex to River Ridge Townhomes. There is no limitation on the right of Declarant to annex Common Areas.

### ARTICLE 3

#### PARTY WALLS, INSURANCE, AND DAMAGE OR DESTRUCTION

3.1 Party Wall Declaration. The dividing wall adjacent to the Living Units situated in the same building is hereby declared to be a party wall. The cost of maintaining the party wall shall be borne equally by the Owners of the adjacent Living Units.

3.2 Damage to Party Wall. In the event of damage or destruction of any party wall from any cause, other than the negligence of an adjacent Owner, the Association shall repair or rebuild the party wall, and each Owner, his successors and assigns, shall have the right to the full use of the party wall so repaired or rebuilt. If an adjacent Owner's negligence shall cause damage to or destruction of the party wall and if such damage or destruction is not covered by insurance, such negligent party shall bear the entire cost of repair or reconstruction. If any negligent Owner shall neglect or refuse to pay his share within 15 days after written demand by the Association, the Association shall be entitled to have a lien on the Living Unit of the negligent Owner for the amount of such defaulting party's share of the repair or replacement cost. Any lien created pursuant to this Agreement may be foreclosed in the same manner as provided in Section 11.3.

3.3 Drilling Through Party Wall. With the prior written consent of the Architectural Review Committee, either adjacent Owner shall have the right to break through the party wall for the purpose of repairing or restoring sewerage, water, or utilities, subject to the obligation to restore the party wall to its previous condition at his own expense and the payment to the adjoining Owner of any damages caused thereby.

3.4 Destruction of Living Unit. If one or more of the Buildings are damaged, destroyed, or partially condemned, the Association 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 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.

3.6 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.

3.7 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 Declarant or the Architectural 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.

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 River Ridge Townhomes 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 River Ridge Townhomes.

(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 River Ridge Townhomes and the sale of Living Units and for such other purposes as may be necessary or convenient for the development of River Ridge Townhomes and the sale of Living Units and for such other purposes as may be necessary or convenient for discharging Declarant's obligations or for exercising any of Declarant's rights hereunder.

(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 performing 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 River Ridge Townhomes.

(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 River Ridge Townhomes, provided such signs are approved by Declarant or the Architectural 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 River Ridge Townhomes 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.

4.5 Access Easement. Each Owner and each Owner's invitees, Declarant, and Declarant's assigns shall have the right to use the Access Easement shown on the plat of River Ridge Townhomes of Mt. Bachelor Village.



## 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 River Ridge Townhomes 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 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 Architectural Review Committee, and any representative of the Association authorized by it may at any reasonable time, and from time to time at reasonable intervals, 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.

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 each Owner shall be permitted to rent the Unit for periods of no shorter duration than 30 days when he is not in occupancy. Nothing in this section shall be deemed to prohibit (a) activities relating to the sale of Living Units, or (b) 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, clothes drying apparatus, 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 Architectural Review Committee.

6.4 Offensive or Commercial Activity. No offensive or commercial 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.

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. The restrictions contained in this paragraph shall not apply to directional signs or 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 Architectural Review Committee.

6.7 Prohibited Structures. Except for trailers related to construction activities within River Ridge Townhomes 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 Pets. No domestic animals shall be kept or raised within or in any Living Unit except as follows:

(a) Household pets may be allowed with the prior written approval of the Association Board of Directors which approval the Association Board of Directors may withhold in its sole discretion. Household pets shall be limited to dogs, cats, birds, hamsters, gerbils, or fish. No permits will be issued for pets which the Association Board of Directors, in its sole discretion, regards as dangerous, including, without limitation, pit bulls and rottweilers. The approval of the Association Board of Directors shall be in the form of a pet permit which shall be issued upon the application of the Owner seeking permission to maintain a household pet within River Ridge Townhomes. No more than one pet permit shall be issued to any Unit Owner.

(b) Any Owner keeping a pet within River Ridge Townhomes shall prevent the pet from causing any disturbance to other Owners or occupants. When not inside a Living Unit, the pet shall be under physical restraint or leash and under the immediate supervision and responsibility of the Owner or the Owner's designee. No pet shall be allowed to make an unreasonable amount of noise or become a nuisance.

(c) Upon the written request of any Owner, the Association Board of Directors shall conclusively determine in its sole and absolute discretion whether a particular pet is being kept in violation of the provisions of this Section 6.10 or the applicable pet permit or whether the pet is making an unreasonable amount of noise or is a nuisance. The Association Board of Directors may levy a fine of up to \$100 for the first violation and up to \$500 for the second and each subsequent violation or may order the removal of any offending pet. Each day that an Owner fails to comply with an order of the Association Board of Directors regarding a pet shall constitute a separate offense for which a fine may be levied. In addition to levying a fine for any violation of an order of the Association Board of Directors pursuant to this Section 6.10, the Association may seek specific performance of the Board of Directors order and any other legal or equitable remedies available to it. In any suit or action to enforce the provisions of this Section 6.10, the prevailing party shall be entitled to recover costs and reasonable attorneys fees at trial and on appeal.

(d) Each Owner keeping a pet within River Ridge Townhomes shall be liable for all injury and damage caused by such pet. The owner of a pet shall be responsible for cleaning up any droppings deposited by the pet within River Ridge Townhomes or surrounding roadways. Each owner of a pet brought

within River Ridge Townhomes shall indemnify, defend, and hold harmless the Association and all other Owners from and against any and all loss, cost, or damage resulting from the activities of such pet.

(e) Pets belonging to guests of Owners will be allowed on a short-term basis not to exceed 10 days as long as the Owner is present. The Manager shall be notified of any visiting pets at the earliest opportunity. Any extension of the 10 day period must be approved by the Association Board of Directors. Owners will be responsible for visiting pets. No permits will be required for visiting pets but visiting pets will be subject to the standard terms and conditions of the Association's pet permit and the conditions set forth in Section 6.10. No more than one visiting pet shall be allowed in any Living Unit at any time.

(f) Owners must make application to receive a revocable pet permit from the Association Board of Directors PRIOR to maintaining a pet within River Ridge Townhomes and allow the Association Board of Directors reasonable time to review the application and respond. The Association Board of Directors shall have the right to impose a reasonable fee for processing an application for a pet permit. Each pet permit will be subject to the following conditions and such other conditions as the Association Board of Directors deems appropriate:

(i) Pets must be under restraint and supervision at all times when not inside the Living Unit. This requirement includes the decks and any enclosed patio area.

(ii) Pets must not be left unattended in motor vehicles parked within River Ridge Townhomes.

(iii) Owners are responsible to clean up after their pets and dispose of waste in an appropriate manner.

(iv) Pets must not create a nuisance to others by barking or some other manner of behavior or cause a dangerous or vicious act towards another resident, guest, or domestic animal.

(v) Pets belonging to permanent residents must be legally and currently licensed with the City of Bend.

(g) Prior to the election of the Association Board of Directors, all of its responsibilities under this section 6.10 shall be carried out by Declarant. Declarant shall have all the powers granted to the Association Board of Directors in carrying out such responsibilities.

6.11 Restated Mt. Bachelor Village Charter. Each Owner shall at all times comply with all applicable provisions of the Restated Mt. Bachelor Village Charter.

#### ARTICLE 7

##### ARCHITECTURAL REVIEW

7.1 Approval Required. No Improvement, as defined in Section 1.6 above, shall be erected, placed, altered, maintained, or permitted to remain on any land subject to this Declaration until final plans and specifications have been submitted to and approved in writing by the Architectural Review Committee.

7.2 Procedure. Any Owner proposing to construct any Improvements within River Ridge Townhomes (including any exterior alteration, addition, destruction, or modification to any such Improvements) shall follow the procedures and shall be subject to the approvals required by Restated Mt. Bachelor Village Charter. Failure to follow such procedures or obtain such approvals shall be deemed a breach of this Declaration.

7.3 Construction by Declarant. Improvements constructed by Declarant on any property owned by Declarant, are not subject to the requirements of this Article 7.

#### ARTICLE 8

##### ASSOCIATION

Declarant shall organize an association of all of the Owners within River Ridge Townhomes. Such Association, its successors, and assigns, shall be organized under the name "River Ridge Townhomes Homeowners Association, Inc.," 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 River Ridge Townhomes and all Owners of property located therein.

8.1 Organization. Declarant shall, before the first Living Unit is conveyed to an Owner, organize the Association as a nonprofit mutual benefit corporation under the Oregon Nonprofit Corporation Act.

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. Declarant shall call a meeting by giving notice to each owner as provided in the Bylaws of the Association for the purpose of turning over administrative responsibility for River Ridge Townhomes to the Association not later than one hundred twenty (120) days after Living Units on seventy-five percent (75%) of the Lots in River Ridge Townhomes have been sold and conveyed to Owners other than Declarant. 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 River Ridge Townhomes to administrative responsibility by the Association. Not later than the sixtieth (60th) day after the Declarant has conveyed to Owners other than Declarant Living Units on fifty percent (50%) of the Lots in River Ridge Townhomes, 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 River Ridge Townhomes. 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.

#### 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 shall require prior written consent of Declarant.



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 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 landscaping and maintenance on gated patios and for the care of hot tubs on exterior decks. Owners shall be responsible for 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 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 equally for operating costs. The amount of the assessment per Living Unit shall be determined by dividing the annual budget by the total number of Living Units.

10.3 Special Purpose Assessments. In the event that the Association Board of Directors deems it to be the advantage of the Owners to impose a special purpose assessment to 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.** 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 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 Reallocation Upon Annexation of Property.** If additional property is annexed to River Ridge Townhomes, the Association shall, within 60 days of the annexation, recompute the budget in accordance with Section 10.1 based upon the additional Living Units and Common Areas and recompute assessments for each Living Unit based upon the formula set forth in Section 10.2. Newly annexed Living Units shall be subject to assessment from the time of annexation of such Living Units to River Ridge Townhomes, in accordance with the provisions of Section 10.2. The Association shall send notice of the assessment to the Owners of newly annexed Living Units not later than 60 days after the annexation or with the next occurring annual assessment whichever is sooner. Assessments shall be due and payable on or before a date set forth in the notice which shall be not less than 30 days from the date that 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. To the extent that any adjustment results in a credit

for an Owner, such credit shall be applied towards the next occurring payment or payments on the annual assessment.

10.6 Payment of Assessments. The Association shall, on or about the 25th day of each month provide notice to the Owner of each Living Unit of the amount of the assessments for such Living Unit for the ensuing month. 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.

10.7 Creation of Lien; and Personal Obligation of Assessments. Declarant, for each Living Unit owned by it within River Ridge Townhomes 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.

10.8 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 Nongualifying 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 paragraph 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 by the vote or written consent of Owners holding not less than seventy-five percent (75%) of the Class A votes, together with the vote or 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 or 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, or regulation or 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 River Ridge Townhomes 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 River Ridge Townhomes 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 vote or 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 River Ridge Townhomes 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 River Ridge Townhomes. 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 and any Supplemental Declaration shall be liberally construed as one document to accomplish the purposes stated in the introductory paragraphs hereof. Nevertheless, each provision of this Declaration and any Supplemental Declarations 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 12.11.

(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:

Mount Bachelor Village Corporation  
19717 Mount Bachelor Drive  
Bend, Oregon 97702  
Att: General Manager

(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.

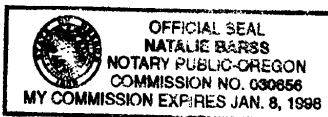
IN WITNESS WHEREOF, Declarant has executed this  
Declaration the date first above written.

MOUNT BACHELOR VILLAGE CORPORATION

By Michael P. Hollern

STATE OF OREGON       )  
                              ) SS  
COUNTY OF            )

The foregoing instrument was acknowledged before me on  
this 13<sup>th</sup> day of OCTOBER, 1994, by MICHAEL P. HOLLEEN  
who is the President of Mount Bachelor Village Corporation on  
behalf of the corporation.



Natalie Barss  
Notary Public for Oregon  
My Commission Expires: 1-8-98

355 - 2545

EXHIBIT A

DECLARATION OF RIVER RIDGE TOWNHOMES  
OF MOUNT BACHELOR VILLAGE

All the land as shown on the official plat of River  
Ridge Townhomes of Mt. Bachelor Village, City of Bend, Deschutes  
County, Oregon, except Lot 15.

STATE OF OREGON )  
COUNTY OF DESCHUTES ) ss.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND  
RECORDER OF CONVEYANCES, IN AND FOR SAID  
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN  
INSTRUMENT WAS RECORDED THIS DAY:

94 OCT 21 AM 11:37

MARY SUE PENHOLLOW  
COUNTY CLERK

BY. *J. Wallace* DEPUTY  
NO. 94-42137 FEE 135<sup>00</sup>  
DESCHUTES COUNTY OFFICIAL RECORDS