

**BROOKS RESOURCES CORPORATION DECLARATION
ESTABLISHING THE SKI HOUSE CONDOMINIUM SECTION AND
SUBMITTING IT TO THE MT. BACHELOR VILLAGE CHARTER AND THE
OREGON UNIT OWNERSHIP LAW**

THIS DECLARATION is made and executed this 24 day of May, 1974, by Brooks Resources Corporation, an Oregon corporation, the "Developer," to subject the property herein to the Mt. Bachelor Village Charter, to certain covenants, restrictions, assessments and penalties and to the condominium form of ownership and use in the manner provided by the Oregon Unit Ownership Law.

By instrument dated April 8, 1974, and recorded on May 8, 1974, in Volume 205, page 976, of the records of deeds of Deschutes County, Oregon, the Developer has established the Mt. Bachelor Village Charter. The Charter contemplates Developer will organize within Mt. Bachelor Village a number of residential areas each of which will consist of a separate section. Each section is to have its own development plans and own restrictions as to use of the private areas within the section.

Developer has determined upon a development plan for the section within Mt. Bachelor Village to be known as the Ski House Condominium Section. Developer proposes to establish and maintain a high standard for the improvement of private areas within the Ski House Condominium Section to the end that property within that Section will have a maximum value that will not deteriorate.

Developer proposes to create a condominium known as the Ski House Condominium Section within the area described in Exhibit "A". Accordingly, the Developer now wishes to subject said property to the Charter and the Oregon Unit ownership Law and to make provisions for the conditions upon which private areas within such property may be used.

SECTION 1. Definitions. When used herein the following terms shall have the following meanings:

- 1.1 Each of the terms defined in Section 1 of the Mt. Bachelor Village Charter shall have the meaning set forth in such Section 1. Other terms used in the declaration are defined in ORS 91.505 except as modified in 1.3, 1.4, 1.6, 1.8 and 1.9. Each of the terms defined in the Oregon Unit Ownership Law, (ORS 91.505) shall have the meanings set forth in such section.
- 1.2 "Architecture Review Committee" shall mean the committee described in Section 8 of the Charter.
- 1.3 "Board of Directors" shall mean the Board of Directors of the Ski House Condominium Owners Association.

CONDOMINIUM DECLARATION APPROVED
OFFICE OF REAL ESTATE DIVISION

Doyle Smith
June 20, 1974

- 1.4 "Condominium" shall mean the entire estate owned by an owner, consisting of the general common elements, the attributable limited common elements and the ownership of a separate interest in a unit.
- 1.5 "General Common Elements" shall be as defined in ORS 91.505 (6) except as modified in 1.6 below and in Section 12.
- 1.6 "Limited Common Elements" shall be as defined in ORS 91.505 (8) and Section 13.
- 1.7 "Ski House Condominium Section" or "Condominium Section" shall mean the area described in Exhibit A.
- 1.8 "Ski House Condominium Owners Association" shall mean the Association of Unit Owners of the Ski Houses Condominium Section formed pursuant to ORS 91.555.
- 1.9 "Manager" shall be as defined in the Charter and not as defined in ORS 91.505 (10).
- 1.10 "Charter" shall mean that certain document bearing such title dated April 8, 1974, recorded in Volume 205, page 976, of the records of deeds, Deschutes County, Oregon.
- 1.11 "Unit" shall be defined as in ORS 91.505 (13) and effective upon filing of a declaration as provided in the Oregon Unit Ownership Law each such unit shall constitute a unit within the meaning of Section 1.23 of the Charter.
- 1.12 "Unit Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any unit situated upon the section unless the record owner retains such title merely to secure an obligation and a contract purchaser is registered as a purchaser in the Manager's records in which case such contract purchaser shall be deemed a unit owner.

SECTION 2. Subjection to the Charter.

- 2.1 Pursuant to Section 2.1 of the Charter Developer declares the Ski House Condominium Section to be subject to the Charter on the following terms:
- (a) The Ski House Condominium Section is a section under 1.20 of the Charter.

- (b) Common Areas are common areas for purposes of the Charter.
- (c) All property is subject to the benefits, restrictions, limitations, assessments, fines and penalties of the Charter.
- (d) All areas within the Ski House Condominium Section which are not common areas or private ways shall be private areas within the meaning of the Charter.

SECTION 3. Use and Occupancy of Private Areas.

Each unit owner in the Ski House Condominium Section shall be entitled to the exclusive use and benefit of each unit owned by him except as otherwise expressly provided herein and in the Charter. The remaining portion of private areas within the Ski House Condominium Section shall constitute general or limited common elements as described in this declaration.

SECTION 4. Improvements and Alterations.

No person or association of unit owners shall construct or reconstruct any improvement or alter or refinish the exterior of any improvement within the private areas of the Ski House Condominium Section, make any change in such private areas whether by excavation, fill, alteration of existing drainage, or the cutting or removal of vegetation, shrubs, or trees, install a utility line, outside antenna, or other outside wire in such area unless such person or association has first obtained the consent thereto of the Architecture Review Committee.

SECTION 5. General Provisions for and Restrictions on Use of Private Areas.

- 5.1 Occupancy. No owner shall occupy, use or permit his unit or any part of his unit 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 when he is not in occupancy. The number of persons occupying a unit may be limited by the Manager of Mt. Bachelor Village or the Ski House Condominium Owners Association to a reasonable number.
- 5.2 Improvements. Each unit within the Ski House Condominium Section shall be maintained in a clean and attractive condition, in good repair and in such a fashion as not to create a fire hazard. Except for those portions which the Manager or Condominium Association is required to maintain and repair

hereunder, if any, each owner shall at the owner's expense keep the interior of his unit and its equipment and appurtenances in good order, condition and repair, and in a clean and sanitary condition and shall do all redecorating, painting and varnishing, which at any time may be necessary to maintain the good appearance and condition of his unit. In addition to decorating and keeping the interior of the unit in good repair, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, refrigerators, dishwashers, disposals, ranges or other equipment that may be in or connected with his unit.

- 5.3 General and Limited Common Element Maintenance. The Manager of Mt Bachelor Village shall be entitled to maintain all general and limited common elements within the Ski House Condominium Section. The Manager shall be entitled to charge the reasonable cost which it shall incur for such maintenance to the unit owners of the Ski House Condominium Section Association. The Manager shall shift the responsibility for the above maintenance to the Ski House Condominium Association when in his discretion the Association is ready and willing to assume the responsibility.
- 5.4 Appearance. All garbage, trash, cuttings, refuse, garbage and refuse containers, clothes drying apparatus, and other service facilities located within the Ski House Condominium Section shall be screened from view in a manner approved by the Architecture Review Committee.
- 5.5 Obstruction. There shall be no obstruction of the common areas or elements. Except in the case of designated storage areas, if any, nothing shall be stored on a temporary or permanent basis in the general or limited common elements without the Manager's prior written consent. This is to be construed to include, but not limited to, boats, trailers, campers, boat trailers and snowmobiles. Automobiles will be parked in designated areas.
- 5.6 Insurance. Nothing shall be done to or kept in any of the general or limited common elements which will increase the insurance rate in the private areas.
- 5.7 Construction and Alteration. Nothing shall be altered or constructed in or removed from or placed on the general or limited elements or the exterior of a unit except with the prior written consent of the Architecture Review Committee.

- 5.8 Domestic Animals. No domestic animals of any kind shall be raised, kept or permitted except for a reasonable number of household pets which are reasonably controlled so as not to be a nuisance to residents of the Ski House Condominium Section and are kept in conformance with the rules and regulations adopted by the Mt. Bachelor Village Association or the Ski House Condominium Association.
- 5.9 Exterior Fires. No exterior fires shall be permitted except for barbecue fires without the consent of the Manager of Mt. Bachelor Village.
- 5.10 Offensive or Commercial Activity. No offensive or commercial activity shall be carried on nor shall anything be done which may be or become an annoyance or nuisance to the other owners.
- 5.11 Signs. No sign of any kind shall be displayed to public view on or from any unit or in the private area without the Manager's prior written consent.
- 5.12 Exterior Lighting or Noise Making Device. No exterior lighting or noise making device and no trees, shrubs or other vegetation shall be placed or planted on a unit or any portion of a private area without Architecture Review Committee consent.

SECTION 6. Insurance.

The Ski House Condominium Association shall carry adequate liability insurance for the units and their interest in common and limited elements. It shall also carry fire insurance in an amount adequate to cover any loss. The Ski House Condominium Association may require such insurance be purchased by such association for all units in the section rather than by the individual owner. The fire insurance proceeds payable by reason of any loss will be used to repair, rebuild or replace the unit or interest so damaged or destroyed.

SECTION 7. Architecture Review Committee Consent.

In all cases in which Architecture Review Committee consent is required the following provisions, together with provisions contained in the Charter shall apply:

(a) Material Required to be Submitted. Where consent must be acquired by unit owners or any association of unit owners from the Architecture Review Committee, plans, specifications and any other material the Committee determines to be necessary to enable it to evaluate the proposal, must be submitted at least 30 days in advance of the occurrence which requires consent.

(b) Architecture Review Committee Discretion and Guidelines. The Architecture Review Committee may at its discretion withhold consent with respect to any proposal if the Committee finds the proposal would be inappropriate for the particular unit or incompatible with the quality and the high standards of the Ski House Condominium Section. Considerations such as color, design, size, view, effect on other unit owners, disturbance of existing terrain and vegetation and any other factor of which the Architecture Review Committee reasonably believes to be relevant, may be taken into account by the Committee in determining whether or not to consent to any proposal.

(c) Failure to Act. In the event the Architecture Review Committee fails to render its decision with respect to any proposed work within 30 days of receipt of the material described in (a) above, the Committee shall conclusively be deemed to have consented to the proposal.

(d) Effective Period of Consent. For items under Section 5 of this declaration, Architecture Review Committee consent shall be revoked one year after issuance, unless the work has been commenced or the unit owner has applied for an received an extension of time from the Architecture Review Committee.

SECTION 8. Amendment, Appeal, Duration.

- 8.1 Amendment and Repeal. This declaration may be amended or repealed or any provision may be added by unit owners owning 75 percent of the units within Ski House Condominium Section consenting in writing. This declaration may not be amended so as to remove it from under the provision of the Charter except as provided in Section 3 of the Charter.
- 8.2 Duration. The covenants and provisions contained in this declaration shall run with the property affected thereby and shall be and remain in full force and effect at all times with respect to all property included within the Ski House Condominium Section and the unit owners thereof for an initial period of 45 years commencing with the date on which this declaration is recorded. Thereafter such provisions and covenants shall continue to run with the property and be and remain in full force and effect at all times with respect to all property in the Ski House Condominium Section affected thereby and the unit owners thereof for successive additional periods of 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 or consent whatever, provided, however, that such provisions and covenants may be terminated at the end of the initial or any additional period by either of the methods provided in the second paragraph of Section 8.1 for the amendment, repeal or addition of a provision to this Brooks Resources Corporation declaration. Any such termination shall become effective upon the filing in the records of deeds of Deschutes County, Oregon of a certificate of the secretary or assistant secretary of the Manager of Mt. Bachelor Village certifying that termination as of a specified termination date has been approved in the manner required therefor herein not less than one year prior to the intended termination date.
- 8.3 Construction; Severability; Number; Captions. This Brooks Resources Corporation declaration shall be construed as an entire document to accomplish the purposes stated in the introductory paragraphs of this declaration. Nevertheless, each provision of this Brooks Resources Corporation declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

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 or reference and shall in no way limit any of the provisions of this Brooks Resources Corporation Declaration.

SECTION 9. Submission to Oregon Unit Ownership Law. The land described in Exhibit A and submitted to the Oregon Unit Ownership Law hereunder is owned by the Developer and conveyed by it in fee simple interest. Upon the filing of this declaration, each unit owner will be entitled to certain non-exclusive easements within Mt. Bachelor Village as provided in the Charter of Mt. Bachelor Village.

SECTION 10. Unit Description. Ski House Condominium Section consists of 7 buildings with each building containing 8 units. Each building has two stories with 4 units on each story. Each building is of wood frame construction without basement and has a cedar shake roof, pine board siding on the exterior walls and interior and partition walls of gypsum wallboard and wood paneling. Each unit is bounded by the undecorated interior surfaces of its perimeter walls, ceilings, floors, decks and chimney area. Each unit has an undivided 1/8th interest in the land occupied by the building in which the unit is located. The dimension, design and approximate area of each unit are set forth in the attached exhibit marked Floor Plans.

SECTION 11. Location of Units. The designation and location of each unit is shown on the attached exhibit marked Site Plan.

SECTION 12. General Common Elements. The general common elements consist of the land other than the land underlying each unit, decks which are not part of any unit, pathways, driveways, fences, grounds, parking areas, utility and general storage areas, and improvements thereon that are not a part of a unit. Each unit will be entitled to an undivided 1/56 interest in the general common elements.

SECTION 13. Limited Common Elements. The limited common elements are those common designated herein as reserved for the use and ownership of the owners of units in each building, and consisting of all of those elements and components of each building not otherwise included in the units, including, but not limited to the foundations, columns, girders, beams, supports, main walls, roofs, staircases, installations of central services such as electricity, water, sewage, telephone and television wiring and

electrical wiring and conduit, wood storage areas, excepting those portions of the foregoing which are included within the condominium units, and all other elements of the building necessary or convenient to its existence, maintenance and safety, or normally in common use by the unit owners of the units contained in the individual building. The use of the limited common elements by an owner is restricted to those limited common elements that are part of the building that houses his condominium unit. Each unit owner has an undivided 1/8 interest in the limited common elements of his building.

SECTION 14. Service of Process. The name of the person to receive service of process in cases provided in subsection (1) of ORS 91.635 is W. L. SMITH and his place of business within Deschutes County, Oregon is 416 N. E. Greenwood, Bend, Oregon 97701.

SECTION 15. Encroachments. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of any building, or if any such encroachment shall occur hereafter as a result of settling or shifting of any building, a valid easement for the encroachment and for the maintenance of the same so long as the building stands shall exist. In the event any building, unit, adjoining unit, or adjoining common element shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachments of parts of the common elements upon any unit, or of any unit upon any other unit, or upon any portion of the common elements due to such rebuilding shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the building shall stand.

SECTION 16. Ski House Condominium Association and Bylaws.

16.1 An association to be known as Ski House Condominium Association is hereby formed which automatically contains all present and future unit owners in the Ski House Condominium Section.

16.2 Association Rules and Regulations. The Ski House Condominium Association will adopt such rules and regulations as necessary to insure the peaceful and orderly use and enjoyment of all property within the section. A copy of such rules and regulations will be delivered in writing to all unit owners. Enforcement of these rules and regulations will be as the Ski House Condominium Association determines.

16.3

Adoption of Bylaws. Upon the execution and filing of this declaration, the Developer, as the sole owner of all the units herein, shall adopt bylaws for the Association of the Unit Owners of Ski House Condominium Section, which bylaws are to be filed simultaneously herewith.

SECTION 17. Lien Priority. Any lien claimed by the Association of Unit Owners of Ski House Condominium Section shall be subordinate to a mortgage or trust deed of record.

IN WITNESS WHEREOF, Brooks Resources Corporation has caused this declaration to be executed the date above written.

BROOKS RESOURCES CORPORATION

BY W. L. Smith
President

STATE OF OREGON, County of Deschutes, ss: May 24, 1974

Personally appeared W. L. SMITH, who, being duly sworn, did say that he is President of BROOKS RESOURCES CORPORATION and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed.

William L. Smith
Notary Public for Oregon

My Commission Expires: 10-24-74

All Taxes, assessments or other charges have been fully paid as of May 24, 1974, and this declaration is hereby approved.

IKE DONAT, DESCHUTES COUNTY ASSESSOR

BY I. Donat
1974

F. C. SHOLES, DESCHUTES COUNTY SHERIFF

BY F. C. Sholes
July 11, 1974

The above declaration is hereby approved.

CONDOMINIUM DECLARATION APPROVED
OREGON REAL ESTATE DIVISION

OREGON REAL ESTATE COMMISSION

BY _____, 1974

DATE: June 20, 1974

-10-

Page 10 of 10

EXHIBIT A

SKI HOUSE CONDOMINIUM SECTION
MT. BACHELOR VILLAGE

A tract of land containing 4.77 acres more or less, lying in the East one-half of the Northwest one-quarter (E1/2NW1/4) of Section Seven (7), Township Eighteen (18) South, Range Twelve (12) East of the Willamette Meridian, Deschutes County, Oregon, the afore-said tract of land being more particularly described as follows:

Commencing at the Northwest corner of said Section 7; thence East 2166.54 feet; thence South 970.01 feet to the true point of beginning of this description; thence South 32° 08' 54" West 254.36 feet; thence South 24° 46' 42" West 171.74 feet; thence South 47° 08' 22" West 370.65 feet; thence North 68° 40' 54" West 252.86 feet; thence North 19° 33' 52" East 133.15 feet; thence North 74° 22' 32" East 182.14 feet; thence North 44° 14' 00" East 154.68 feet; thence North 17° 21' 10" East 233.04 feet; thence North 11° 02' 27" East 205.60 feet; thence South 60° 51' 36" East 294.03 feet; thence South 31° 00' 41" East 40.75 feet to the point of beginning and terminus of this description.

INDEX

624

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 15 day of July A.D. 1974 at 10:10 o'clock A.M., and recorded in Book 208 on Page 701 Records of Deschutes

ROSEMARY PATTERSON

County Clerk

By Ann L. Hollen Deputy