

WESTSIDE VILLAGE SHOPPING CENTERDECLARATION OF RESTRICTIONS AND GRANT OF EASEMENTS

This Declaration of Restrictions and Grant of Easements (hereinafter referred to as "Declaration") is made as of October 19, 1998, by WESTSIDE VILLAGE ASSOCIATES, L.L.C. an Oregon limited liability company, hereinafter referred to as "Declarant."

SECTION IEXHIBITS

1.1 The following exhibits are attached hereto and by this reference incorporated herein:

- A. Exhibit "A:" Site Plan
- B. Exhibit "B:" Description of Declarant's Real Property:

SECTION IIPRELIMINARY/ADMINISTRATION

2.1 Declarant is the owner of certain real property described in Exhibit "B." Said real property is divided into five (5) parcels referred to herein individually as Common Parcel 1, Building Parcel 2, Building Parcel 3, Building Parcel 4, and Building Parcel 5. Said parcels are hereinafter collectively referred to as the "Shopping Center." Exhibit "A" attached is a Site Plan of the Shopping Center.

2.2 Declarant plans to develop the Shopping Center as an integrated retail sales area for the mutual benefit of all the real property in the Shopping Center, and for such purposes does hereby fix and establish easements, covenants, restrictions, liens and charges (hereinafter collectively referred to as "Restrictions"), upon and subject to which all of said Shopping Center, or any part thereof, shall be improved, held, leased, sold and/or conveyed.

2.3 Declarant shall administer the development, operation and maintenance of the Shopping Center until the date of the earlier to occur of the following (the "Turnover Date"): (i) the completion of all Common Area improvements and the completion of buildings on each Building Parcel, or (ii) the latter of the completion of all Common Area improvements and the date upon which Declarant no longer owns any of the Building Parcels. Promptly following the Turnover Date, Declarant shall incorporate a nonprofit mutual benefit corporation (the "Association"), the members of which shall be each owner of a Building Parcel within the Shopping Center. Promptly following the incorporation of the Association, Declarant shall convey the Common Parcel to the Association. The Association shall exercise only such authority as is granted to the Association in this Declaration. Unless otherwise specified herein, all action taken by the Association shall be taken by majority vote of the members. The owner of Parcel 4 shall have three (3) votes, the owner of

1 - WESTSIDE VILLAGE SHOPPING CENTER
DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

Parcel 3 shall have one (1) vote, the owner of Parcel 2 shall have one (1) vote, and the owner of Parcel 5 shall have two (2) votes.

2.4 All rights and duties granted to the Association in this Declaration shall be exercised by Declarant until the Turnover Date has passed and the Association has been incorporated.

SECTION III **DEVELOPMENT OF COMMON AREA**

3.1 All of the area within the Shopping Center to be used in common shall be referred to as "Common Area," and said Common Area includes all areas within the Shopping Center other than Building Areas. The Common Area is delineated on the Site Plan attached as Exhibit "A" and shall be developed as shown on Exhibit "A." Except as specifically set forth in this Declaration, the Common Area shall not be used for any other purpose than:

- (a) The ingress and egress and parking of motor vehicles;
- (b) The ingress and egress of pedestrians;
- (c) The installation, maintenance and operation of public utilities serving the Building Areas;
- (d) The installation, maintenance and operation of such signs as are permitted by this Declaration; and
- (e) The installation, maintenance and operation of landscape areas, roadways, parking areas, sidewalks, curbs, gutters, traffic control facilities, lighting and such other improvements as are appropriate for the operation of a first-class shopping center.

3.2 Notwithstanding the foregoing, portions of the Common Area adjacent to the Building Area may be used for the following uses, subject to prior written approval by the Association as provided in Section 4.5, all of which shall be appropriately maintained by the respective building owners at their own expense:

- (a) The installation, removal, repair, replacement and maintenance of building eaves or canopies from any Building Area over pedestrian sidewalks and over other Common Area a distance not exceeding eight (8) feet together with canopy support columns upon and over such sidewalks and Common Area;
- (b) The installation, removal, replacement, repair and maintenance of fire hose connections, downspouts, hose bibbs, standpipes, yard or floodlights, subsurface building

2 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P:\DATA\KJK\CLIENTS\L-O-M\MORGAN\ALLSTAR.004 October 8, 1998

foundations, and such signs or shadow boxes of building occupants as may be attached to or from any integral part of a building at any time situated upon any portion of the Building Area:

(c) The temporary erection of ladders, scaffolding and storefront barricades during periods of construction, reconstruction, remodeling or repair of buildings and building appurtenances, upon the conditions, however, that such construction, reconstruction, remodeling or repair is diligently performed and, subsequent to such performance, such ladders, scaffolding and barricades are thereupon promptly removed.

(d) The location of tables and chairs immediately adjacent to buildings in which the service of food and/or beverages is regularly conducted and permitted pursuant to this Declaration, provided such tables and chairs are located on a patio or other area intended for such purpose and do not interfere with pedestrian or vehicle traffic.

3.3 The owner of Parcel 4 may from time to time utilize portions of the Common Area located on Parcel 4 for outdoor sales (by the owner or tenant of Parcel 4), provided, however, such activities shall be limited to 10 days per year, shall not occur during the months of October, November, December or January, and shall not result in more than 20 parking spaces being unavailable for parking vehicles. The owner of Parcel 4 shall give the owners of the other parcels in the Shopping Center notification of such intended use, a reasonable time in advance thereof, and on request supply the other parties with reasonable proof of adequate insurance or indemnification against injuries to property or person sustained in connection therewith. In addition, the owner of Parcel 4 shall be responsible for any physical damage to said Common Areas resulting from said use.

3.4 No signs other than the signs approved in accordance with Section 4.5 of this Declaration, directional signs for guidance upon the parking and driveway areas, and signs identifying the name of the Shopping Center at the location shown on Exhibit "A," shall be erected or maintained upon the Common Area or Building Area of the Shopping Center, except as shown on Exhibit "A."

3.5 Prior to the opening for business of any building erected in the Shopping Center, Declarant shall improve or cause to be improved all portions of the Common Area substantially in accordance with Exhibit A attached hereto, other than such Common Area improvements that are to be constructed by the owner of a Building Parcel in connection with the improvement of the Building Area. The responsibility to construct specific Common Area improvements and to pay the cost of such Common Area improvements shall be allocated as provided in a development agreement to be entered into between Declarant and each purchaser of a Building Parcel. The plans and specifications for all such Common Area improvements shall be subject to Declarant's prior written approval and shall be consistent with the Site Plan attached hereto as Exhibit A and the Standards and Specifications for Common Area Improvements for Westside Village to be provided by Declarant.

3 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P:\DATA\KJK\CLIENTS\L.O.M.MORGAN\ALL STAR\004 October 8, 1998

SECTION IV
DEVELOPMENT AND MAINTENANCE OF BUILDING AREA

4.1 No building or structure of any kind shall be erected or placed upon any parcel in the Shopping Center except upon those portions of such parcel designated Building Area as shown on Exhibit "A;" provided that there may be constructed and maintained upon or over the Common Area of each parcel by the owner thereof, eaves or canopies projecting from such Building Area, which projection shall not exceed eight (8) feet with respect to Building Parcels 2, 3 and 5 and twelve (12) feet with respect to Building Parcel 4; normal foundation; doors for ingress and egress; trash areas for building areas which shall be located at the rear of the building areas provided they are adequately screened from public view; and inadvertent encroachments of buildings into the Common Area not exceeding two (2) feet. The above provisions apply only to encroachments into the Common Area of each owner's own parcel and shall not be construed to allow the encroachment by the owner of any parcel into the parcel of any other owner.

4.2 No building or structure erected in the Shopping Center shall be more than one (1) story nor exceed (a) thirty (30) feet in height on Building Parcels 2, 3 and 5 or (b) forty (40) feet in height, exclusive of architectural projections or other decorative features on Building Parcel 4, subject to applicable governmental restrictions.

4.3 All buildings in the Shopping Center shall be equipped with such automatic sprinkler systems as meet all of the standards of the insurance services office (or other similar organization having jurisdiction). The purpose of this paragraph is to allow buildings built on each parcel to be fire rated as separate and distinct units without deficiency charge.

4.4 Each building constructed in the Shopping Center, now and in the future, shall be of first quality construction and architecturally designed so that its exterior elevation (including signs) and color will be architecturally and aesthetically compatible and harmonious with all other buildings in the Shopping Center, and shall be maintained in good condition and repair. The site plan for each parcel, including but not limited to the size of the building area, the number and location of parking spaces, and landscaping, shall be subject to prior approval by the Association. No building may be constructed nor the exterior of any existing building changed in any way (including, without limitation, signs and color) nor any exterior improvements constructed without the prior written approval of the Association, which approval shall not be unreasonably withheld. The Association shall approve or disapprove the proposal in writing within thirty (30) days after receipt of the proposal, if accompanied by sufficient information (including, without limitation, a site plan, landscape plan and complete plans and specifications for all improvements). If the Association disapproves the proposal, it shall provide a written explanation in reasonable detail of its reasons for disapproving. If the Association fails to approve or disapprove the proposal within the thirty (30) day period, or rejects or disapproves the proposal and fails to provide such explanation within the thirty (30) day period, the Association shall be deemed to have given its approval. The Association's approval (whether actual or deemed) shall not operate to permit or waive a violation of the terms of

4 - WESTSIDE VILLAGE SHOPPING CENTER
 DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P. DATA KJK CLIENTS L-O M MORGAN ALLSTAR 004 October 8, 1998

this Declaration. The Association may impose a reasonable fee for the review of a request for approval.

4.5 In the event all or any portion of any building in the Shopping Center is (a) damaged or destroyed by fire or other casualty, or (b) taken or damaged as a result of the exercise of the power of eminent domain or any transfer in lieu thereof, the owner of such building shall promptly restore or cause to be restored the remaining portion of any such building, or, in lieu thereof, shall remove or cause to be removed the damaged portion of any such building together with all rubble or debris related thereto. All building areas on which buildings are not reconstructed following a casualty or condemnation, shall be graded or caused to be graded by the owner thereof to the level of the adjoining property and in such manner as to not adversely affect the drainage of the Shopping Center, shall be covered by a grass or asphalt dust cap, and shall be mowed and kept weed-free and clean at the owner's sole expense until buildings are constructed thereon.

4.6 All owners of any portion of the Shopping Center shall pay, prior to delinquency, all taxes and assessments on the Common Area and Building Area owned by them. If any such owner shall fail to pay said taxes and assessments prior to delinquency, any other owner, or the tenant of any other owner, may pay said taxes and assessments and the curing owner or tenant may then bill the defaulting owner for the expense incurred. If the defaulting owner shall not pay said bill within thirty (30) days, the curing owner or tenant shall have a lien on the property of the defaulting owner for the amount of said bill, which amount shall bear interest at the rate of 15% per annum or the highest rate of interest not prohibited by law at the time of such payment by the curing owner or tenant, whichever is less, from the time of such payment by the curing owner or tenant until paid; provided that if there be a bona fide dispute as to the existence of such default or of the amount due and all undisputed amounts are paid, there shall be no right to place a lien on any owner's parcel until such dispute is settled by final court decree or mutual agreement.

SECTION V

SHOPPING CENTER EASEMENTS

5.1 Declarant does hereby establish and hereby grant to the owners of each parcel for the benefit of such owner, its respective successors, assigns, tenants, employees, agents, customers and invitees and the customers, employees and invitees of such tenants, and for the benefit of each parcel belonging to each owner, nonexclusive easements for the ingress and egress by vehicular and pedestrian traffic and the right of vehicular parking upon, over and across the Common Area on each parcel as provided in Exhibit "A" (subject to the limitations contained in Section III, DEVELOPMENT) so that the Shopping Center may be used as an integrated area by the owners and occupants thereof and their customers and invitees.

5.2

(a) Declarant does hereby establish and hereby grants to the owners of each parcel for the benefit of each owner and its parcel, nonexclusive easements under, through and across the

5 - WESTSIDE VILLAGE SHOPPING CENTER
DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

Common Area of each parcel for water drainage systems or structures, water mains, sewers, water sprinkler system lines, telephones or electrical conduits or systems, gas mains, other public utilities and service easements. All such systems, structures, mains, sewers, conduits, lines and other public utilities shall be installed and maintained below the ground level or surface of each easement, except where the particular item involved is not capable of being placed underground (such as, but not limited to, transformers and risers); provided, however, that such above ground item shall not be located in any parking space or driveway.

(b) In the event it is necessary for the owner of a parcel to cause the installation of a storm drain, utility line or sewer across the Common Area of another parcel after the initial paving and improving thereof, the other owners shall not unreasonably withhold the granting of an additional easement or easements. The construction and use of such easement facility shall not unreasonably interfere with the normal operation of any business in the Shopping Center. The owner of each parcel shall bear all costs related to the use of the easement and shall repair, to the original specifications, any damage to the Common Area resulting from such use.

(c) At any time and from time to time the owner of a parcel shall have the right to relocate on its parcel any utility line or facility installed pursuant to the foregoing grant of easement which is then located on the land of such owner, provided that any such relocation (i) shall be performed only after sixty (60) days' notice of the owner's intention to undertake the relocation shall have been given to the owner of each parcel served by the utility line or facility; (ii) shall not unreasonably interfere with or diminish utility service to the parcels served by the line or facility; (iii) shall not reduce or unreasonably impair the usefulness or function of the line or facility; (iv) shall be performed without cost or expense to the owner or occupant of any parcel served by the line or facility; and (v) the original and relocated area shall be restored to the original specifications; and (vi) except in case of an emergency, shall not be performed between November 15 and January 15.

5.3 No owner or occupant shall, without the prior written consent of the Association, grant or permit the granting of any easement or right of use affecting any part of the Shopping Center other than the rights and easements consistent with this Declaration to another owner, and its tenants, employees, agents, customers or invitees or to any third party. The foregoing shall not serve to prohibit modification of the existing easement granted by Declarant to the City of Bend in that certain deed dated July 18, 1996, recorded in Book 416, Page 2212, Deschutes County Records (the "City of Bend Easement"), provided such easement is not extended to benefit additional property without approval by the Association.

SECTION VI

OPERATION AND MAINTENANCE OF COMMON AREA

6.1 No owner, employee of any owner, tenant or other occupant, or employee of any tenant or other occupant, of any part of the Shopping Center shall use any portion of the Common Area located on the Shopping Center for motor vehicle parking purposes, except such portions as

6 - WESTSIDE VILLAGE SHOPPING CENTER

DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P: DATA KJK CLIENTS L-O M MORGAN ALL STAR 004 October 8, 1998

may be designated "Employee Parking Areas." The Association shall from time to time designate and approve Employee Parking Areas, provided, however, if it does not, each owner may designate Employee Parking Areas on its own parcel.

6.2 There shall be no charge for parking in the Common Area without the prior written consent of the Association, unless otherwise required by law; provided, however, in the event any parking surcharge or regulatory fee, however designated, should be imposed upon or levied or assessed against the Shopping Center or any portion thereof, by any governmental agency pursuant to governmental act or decree, each owner agrees to cooperate reasonably with the other owners in imposing a parking charge upon the users of the parking area within the Shopping Center Common Area, provided the entire proceeds thereof, after deduction of all costs and expenses incurred in connection therewith, are applied to the payment of any such parking surcharge or regulatory fee. The foregoing shall not prohibit any owner from charging any tenant, subtenant or other occupant of its parcel for a portion or all of said owner's Common Area expenses.

6.3 Following the completion of the Common Areas, the Association shall maintain the Common Area at all times in a good and clean condition and repair, said maintenance to include, but not be limited to, the following:

(a) Maintaining the asphalt surfaces in a level, smooth and evenly covered condition with the type of surfacing material originally installed or such substitute as shall in all respects be equal or superior in quality, use and durability;

(b) Removing all snow, papers, debris, filth and refuse and thoroughly sweeping the area to the extent reasonably necessary to keep the area in a clean and orderly condition;

(c) Placing, keeping in repair, and replacing any necessary or appropriate directional signs, markers and lines;

(d) Operating, keeping in repair, and replacing when necessary such artificial lighting facilities as shall be reasonably required; and

(e) Maintaining all landscaped areas, including those on the perimeter of the Shopping Center, repairing automatic sprinkler systems and water lines, and making replacements of shrubs and other landscaping as is necessary.

(f) Maintaining all Common Area signs identifying the Shopping Center, and all other Common Area facilities.

6.4 The Association may appoint a third party as an agent of the Association to maintain the Common Areas in the manner as above outlined.

7 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

6.5 The Association shall expend only the monies reasonably necessary for such operation and maintenance in order to keep the Common Area in good repair and clean condition as provided hereinabove to the end that the expense in connection therewith will be kept at a minimum. The Association or third-party management agent shall be entitled to charge an administrative fee not to exceed five percent (5%) of the cost of operation and maintenance of the Common Area.

6.6 The Association shall determine, as soon as is reasonably possible, the estimated monthly cost and related administrative fee of maintaining the Common Area and thereafter notify each owner of its share as set forth in paragraph 6.7 which estimated share shall be paid on a monthly basis. These payments shall be adjusted on an annual basis when the actual costs for the preceding year have been determined, and each owner shall pay its share of any costs in excess of the monthly estimated payments or receive their share of any refund of actual costs are lower than estimated. The Association may from time to time adjust the estimated monthly payments, if appropriate. Within thirty (30) days after receipt of billing therefore, each owner shall pay to the Association its share of said costs, expenses and administrative fee described in this Section. The Association shall provide each owner quarterly with a detailed itemization of the costs and expenses for the prior three month period and each owner, or its authorized representative, shall have the right to examine the records of expenses in connection therewith at reasonable business hours and with reasonable frequency. The Association shall collect from the City of Bend its share of the cost of Common Area maintenance and snow removal as provided in the City of Bend Easement, and deduct such amount from the amount payable by the owners.

6.7 The cost of maintaining the Common Area (including the Common Parcel), the insurance described in Section 6.8, and real property taxes and assessments against the Common Parcel shall be shared by the owners as follows:

Building Parcel 2	10%
Building Parcel 3	8%
Building Parcel 4	58%
Building Parcel 5	24%

6.8 The Association shall provide general liability insurance, comprehensive liability insurance, insuring itself and the owners of all parcels, naming such owners as additional insureds under the policy or policies, against claims for personal injury, death or property damage occurring in, upon or about the Common Area. Such insurance shall be written with an insurer licensed to do business in the State of Oregon. The limits of liability of all such insurance shall be not less than Two Million Dollars (\$2,000,000) for injury to or death of more than one person in one occurrence, and Five Hundred Thousand Dollars (\$500,000) with respect to damage to property. Certificates of insurance shall be issued to the owners of all other parcels.

8 - WESTSIDE VILLAGE SHOPPING CENTER
DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

6.9 If the Association fails or refuses for any reason to maintain the entire Common Area, the owner of each parcel of the Shopping Center shall have the obligation to maintain its own parcel as set forth in Section VI. This provision shall not effect a waiver of any claims an owners may against the Association for such failure or refusal.

6.10 The Association may at any time and from time to time, promulgate reasonable and non-discriminatory rules and regulations for the use of the Common Area.

6.11 If any owner fails to pay or perform the obligations set forth herein in this Section VI, such failure shall constitute a default, in which case any other owner may cause the performance of the obligation and bill the defaulting owner for the expenses incurred. In such event, the curing owner shall have a lien on the property of the defaulting owner for the amount of said bill, which amount shall bear interest at the rate of fifteen percent (15%) per annum or the highest rate of interest not prohibited by law at the time of the expiration of thirty (30) days after the curing owner has billed the defaulting owner for such expenses.

SECTION VII **CONDEMNATION**

7.1 Nothing herein shall be construed to give any owner any interest in any award or payment made to another owner in connection with any condemnation or transfer in lieu thereof affecting said owner's parcel, or to give the public or any governmental or quasi-governmental agency any rights in any parcel. In the event any condemnation or transfer in lieu thereof of any part of the Common Area located within the Shopping Center, the award attributed to the land and improvements of such portion of the Common Area shall be payable only to the owner thereof and no claim thereon shall be made by the owners, tenants, subtenants, or other occupants of any other portion of the Common Areas.

7.2 All other owners of the Common Areas may file collateral claims with the condemning authority for their losses which are separate and apart from the value of the land and improvements taken from another owner.

7.3 Nothing in this Section VI shall prevent a tenant from making a claim against any owner pursuant to the provisions of any lease between tenant and owner for all or a portion of any such award or payment.

SECTION VIII **RESTRICTIONS ON USE**

8.1 No portion of the Shopping Center except Parcel 4 shall be used for the offer for sale or sale of any ethical pharmaceutical products, or for the purpose of a prescription pharmacy selling

9 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

or offering for sale items the sale or offering for sale of which require the presence of a licensed or registered pharmacist.

8.2 The owner of Parcel 4, for so long as such parcel is operated as a supermarket, shall have the sole and exclusive right to operate as a supermarket in the Shopping Center. Other than on Parcel 4 and for so long as a supermarket is operated thereon, no portion of the Shopping Center shall be used as a bakery, fish market, meat market, produce market or other business which may sell packaged dairy products.

8.3 No portion of the Shopping Center shall be occupied or used, directly or indirectly, for the purposes of an office building, entertainment or recreational facility or a training or educational facility, adult bookstore, warehouse, car wash, auto parts store, repair facility or for the renting, leasing or sale of or displaying for the purpose of renting, leasing or sale of any motor vehicle or trailer or for industrial purposes. As used herein, "entertainment or recreational facility" includes, but is not limited to, a bowling alley, skating rink racquetball or similar court, theater, billiard room, health spa or studio, massage parlor, amusement arcade, gymnasium, or place of public amusement; and "training or educational facility" includes, but is not limited to, a beauty school, barber college, place of instruction, reading room or any operation catering primarily to students or trainees rather than to customers, it being the intent of this provision that the parking and other common facilities should not be burdened by either large scale or protracted use; provided, however, that the foregoing shall not prohibit the sale of alcoholic beverages for on-premises consumption as an ancillary part of a restaurant business conducted in the Shopping Center, nor shall the foregoing prohibit the operation of a bank or savings and loan facility within the Shopping Center.

8.4 No portion of Parcel 5 shall be used directly or indirectly for a sit-down restaurant. This shall not prevent cafe-type operations of 1,200 square feet or less where the service of food is ancillary to the service of coffee, tea or other non-alcoholic beverages.

8.5 No restaurant, bank or other facility featuring vehicular drive-up or drive-through customer service shall be located in the Shopping Center unless the Association shall have first given its written consent.

8.6 There shall be no open or enclosed malls in the Shopping Center.

8.7 If any term or provision of this Section VIII, RESTRICTION ON USE, or the application of it to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this said Section or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Section shall be valid and shall be enforced to the extent permitted by law.

10 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P DATA KJK CLIENTS L-O M MORGAN ALLSTAR 004 October 8, 1998

8.8 Declarant hereby states that the contemplated development of the Shopping Center would not be possible without the Shopping Center being subject to this Section VIII, RESTRICTIONS ON USE.

SECTION IX GENERAL PROVISIONS

9.1 The Restrictions contained in this Declaration shall be appurtenant to and for the benefit of all portions of the Shopping Center and shall be a burden thereon for the benefit of all portions and shall be a mutual, equitable servitude upon and in favor of the Shopping Center and any portion thereof of the Shopping Center, and shall run with the land; (provided, however, that any party wall easements shall benefit and burden only the parcels of the Shopping Center to which they relate).

9.2 This Declaration and the Restrictions created hereby shall inure to the benefit of and be binding upon the Declarant and its successors, transferees and assigns, provided, however, that if any owner sells any portion or all of its interest in the Shopping Center and obtains from the purchaser thereof an agreement by which the purchaser assumes and agrees to be bound by the Restrictions herein contained, then such owner shall thereupon be released and discharged from any and all further obligations under this Declaration as such owner in connection with the property sold by it after the sale and conveyance of title.

9.3 Except as otherwise provided herein, each easement shall be in perpetuity and each other covenant, restriction and undertaking of this document shall be for the term of sixty-five (65) years from the date hereof.

9.4 In the event of any violation or threatened violation by any owner, lessee, or occupant of any portion of the Shopping Center of any terms, covenants, restrictions and conditions contained herein, in addition to the other remedies herein provided, any or all of the owners and tenants of the property included within the Shopping Center shall have the right to enjoin such violation in a court of competent jurisdiction.

9.5 This Declaration may not be modified in any respect whatsoever, or rescinded, in whole or in part, except with the consent of all the owners of Building Parcels, and then only by a written instrument duly executed and acknowledged by the requisite owners duly recorded in the Office of the Recorder of Deschutes County, Oregon. No modification or rescission of this Declaration shall affect the rights of any lienholder unless the lienholder consents in writing to the modification or rescission.

9.6 Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Shopping Center to the general public or for the general public or for any public purposes

11 - WESTSIDE VILLAGE SHOPPING CENTER DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P: DATA KJK CLIENTS L-O M MORGAN ALL STAR 004 October 8, 1998

whatsoever, it being the intention of Declarant that this Declaration shall be strictly limited to and for the purposes herein expressed.

9.7 No breach of this Declaration shall entitle any owner to cancel, rescind or otherwise terminate this Declaration, but such limitation shall not affect in any manner any other rights or remedies which such owner, or any tenant, may have hereunder by reason of any breach of this Declaration. Any breach of this Declaration shall not defeat or render invalid the lien or any mortgage or deed of trust made in good faith and for value, but this Declaration shall be binding upon and effective against any owner of any property subject to this Declaration or any portion thereof whose title thereto was acquired by foreclosure, trustee's sale or otherwise.

9.8 All notices to be given pursuant to this Declaration shall be in writing and must be given by United States certified or registered mail, postage prepaid, return receipt requested, properly addressed to the owner of each parcel (and any Prime Lessee where applicable), as shown on the then current property tax rolls in Deschutes County, Oregon.

9.9 If any clause, sentence or other portion of this Declaration is or shall become illegal, null or void for any reason, or shall be held by any court of competent jurisdiction to be so, the remaining portions thereof shall remain in full force and effect.

9.10 All conveyances of all or any portion of the Shopping Center subsequent to the date hereof shall recite that they are subject and subordinate to the terms and provisions hereof.

9.11 The liens provided for in Section VI, OPERATION AND MAINTENANCE OF COMMON AREA, hereinabove, may be filed for record by the party entitled thereto as a claim of lien against the defaulting owner in the Office of the County Recorder of Deschutes County, Oregon, signed and verified, which shall contain at least:

- a. A statement of the unpaid amount of costs and expenses;
- b. A description sufficient for identification of that portion of the property of the defaulting owner which is the subject of the lien; and
- c. The name of the owner or reputed owner of the property which is the subject of the lien.

Such lien, when so established against the real property described in said lien, shall be prior and superior to any right, title, interest, lien or claim which may be or has been acquired or attached to said real property after the time of filing of such lien. Such lien shall be for the use and benefit of the person filing the same, and may be enforced and foreclosed in a suit or action brought in any court of competent jurisdiction.

12 - WESTSIDE VILLAGE SHOPPING CENTER
DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P: DATA KJK CLIENTS L-O M MORGAN ALLSTAR 004 October 8, 1998

9.12 The ownership of the entire Shopping Center by the same party shall not effect the termination of this Declaration.

9.13 Each owner of any portion of the Shopping Center shall, and shall cause each occupant of any portion of the Shopping Center owned by such owner to, conduct its use and occupancy of the Shopping Center in compliance with all applicable governmental laws, rules, regulations and orders.

9.14 In the event of legal proceedings to enforce any or all of the provisions hereof, including without limitation, the provisions regarding the enforcement of liens as set forth in this Section VII, GENERAL PROVISIONS, the prevailing party in such proceeding shall be entitled to a reasonable sum as attorneys fees and costs to be set by the court in said proceeding, including any appeal thereof.

9.15 Any mortgage affecting any portion of the Shopping Center shall at all times be subject and subordinate to the terms of this Agreement and any person foreclosing any such mortgage or acquiring title by reason of a deed in lieu of foreclosure shall acquire title to the premises affected thereby subject to all of the terms of this Agreement.

SIGNED the day and year first hereinabove written.

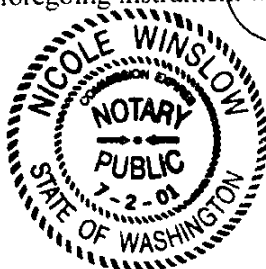
WESTSIDE VILLAGE ASSOCIATES, L.L.C.,
an Oregon limited liability company

By: Morgan Mackenzie, Inc., Member

By: *Ron Cole*
Ron Cole, President

Developer

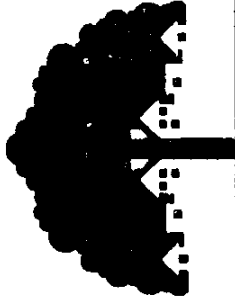
STATE OF WASHINGTON; County of King ss. 9th day of Oct, 1998.
The foregoing instrument was acknowledged before me this



Nicole Winslow
NOTARY PUBLIC for Washington
My Commission Expires: 7/2/01

13 - WESTSIDE VILLAGE SHOPPING CENTER
DECLARATION OF RESTRICTIONS & GRANT OF EASEMENTS

P. DAIA KJK CLIENTS L.O.M. MORGAN ALLSTAR 004 October 8, 1998



WESTSIDE VILLAGE A MARKETPLACE

LEGEND

A: MERCANTILE

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: M
CONSTRUCTION TYPE: M - FULLY BRICKED
1. MAIN MERCHANDISE SPACE
2. BULK STORAGE
3. LOADING / UNLOADING DOCK
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: MAIN SPACE: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
34,000 SQ. FT. (0.78)

B: RETAIL / OFFICE

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: V - BRICKED
CONSTRUCTION TYPE: V - BRICKED
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
14,000 SQ. FT. (0.32)

C: RESTAURANT

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: A - BRICKED
CONSTRUCTION TYPE: A - BRICKED
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
7,000 SQ. FT. (0.16)

D: RETAIL / OFFICE

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: V - BRICKED
CONSTRUCTION TYPE: V - BRICKED
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
14,000 SQ. FT. (0.32)

TOTAL DEVELOPMENT PARKING PROVIDED:
TOTAL DEVELOPMENT PARKING PROVIDED:

E: FIRE STATION

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: F - BRICKED
CONSTRUCTION TYPE: F - BRICKED
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
14,000 SQ. FT. (0.32)

F: MINI STORAGE FACILITY

1 STORY, MARSHET/WOOD CONSTRUCTION
OCCUPANCY TYPE: S - BRICKED
CONSTRUCTION TYPE: S - BRICKED
TOTAL BUILDING SQ. FT.
PARKING INCLUDED: 0 / 100
PARKING PROVIDED: 0 / 100
BUILDING SET AREA:
LANDSCAPE AREA:
14,000 SQ. FT. (0.32)

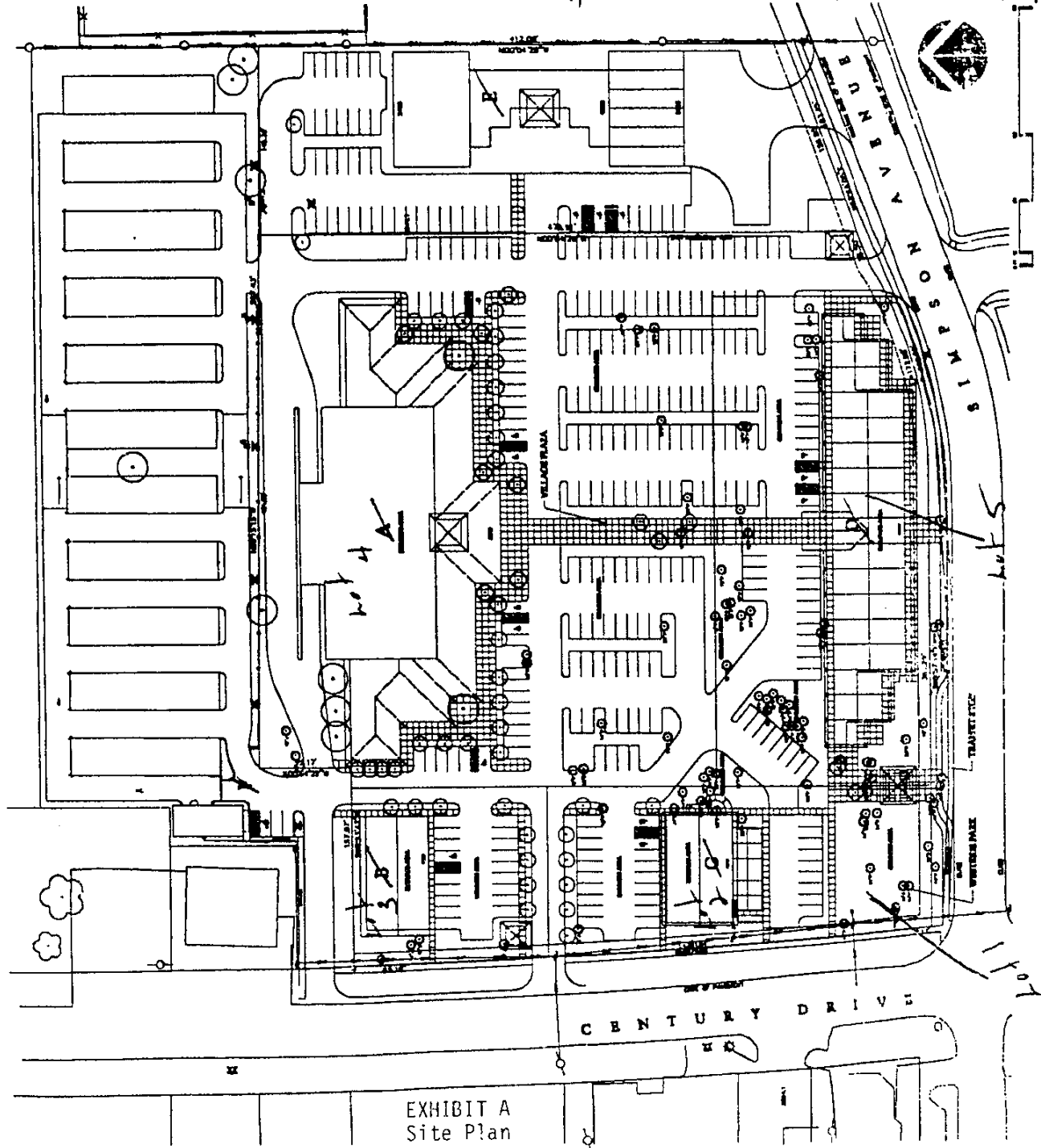


EXHIBIT A
Site Plan

Lots 1, 2, 3, 4 and 5, WESTSIDE VILLAGE, Deschutes County, Oregon.


STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

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

98 OCT 20 AM 9:06

MARY SUE PENNOLLO
COUNTY CLERK

EXHIBIT B
Legal Description

BY.  DEPUTY

NO. 98-46838 FEE 80-
DESCHUTES COUNTY OFFICIAL RECORDS