

**DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS AND
EASEMENTS
AFFECTING BARRINGTON HEIGHTS NORTH**

THIS DECLARATION IS MADE THIS 15 DAY OF December, 1999, BY MAJESTIC HOMES INC. (AN OREGON CORPORATION) AND IMPERIAL PLAZA CO. (AN OREGON LIMITED PARTNERSHIP).

OBJECTIVES

A. Declarant desires to create in Barrington Heights North, a carefully planned community which will provide an attractive place to live.

B. Declarant will provide leadership in organizing and administering the Barrington Heights North project during the development period, but expects the Property owners to accept the responsibility for this by the time at least fifty percent (50%) is sold out.

C. Funds for the maintenance and further development of Common Areas not already done, and certain other areas generally will be provided through assessments against those who purchase Property within Barrington Heights North. For the protection of all owners of Property in Barrington Heights North, each lot shall be assessed equally its share of the total moneys necessary for the maintenance and further development of Common Areas and certain other areas.

D. Declarant has recorded the plat of "Barrington Heights North" in the plat records of the City of West Linn, Clackamas County, Oregon. Declarant desires to subject the Property described in such plat to the conditions, restrictions and covenants set forth herein for the benefit of such Property and its present and subsequent owners, and to establish such Property as the last phase of the planned development called "Barrington Heights North."

Now, therefore, Declarant hereby declares that the Property described in the plat of Barrington Heights North shall be held, sold, and conveyed subject to the following easements, covenants, and restrictions, 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.

99-115680

ARTICLE 1

PROPERTY RIGHTS IN COMMON AREAS

1.1 OWNER'S EASEMENTS OF ENJOYMENT. Subject to provisions of this article, every owner and his or her invitees shall have a right and easement of enjoyment in and to the Common Areas, which easement shall be appurtenant to and pass with the title to every lot.

1.2 COMMON EASEMENT AREAS. Common easement areas shall be reserved as signage and visual landscape features. Such areas are to be maintained by the Association and no changes in landscape will be permitted without written authorization of the Board of Directors of the Association and the developer. No building, wall, fence, paving, landscape, or construction of any type shall be erected or maintained by any owner so as to trespass or encroach upon the common easement areas.

1.3 TITLE TO COMMON AREAS. Title to the Common Areas, except common easement areas, shall be conveyed to the Association by Declarant free and clear of monetary liens. Title to common easement areas, subject to the easements set forth in this Declaration, shall pass to the owners of the respective lots within which such areas are located, or to the public if part of dedicated street right-of-ways.

1.4 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) Easements. Declarant grants to the Association for the benefit of the Association and all Owners of Lots within the Property the following easements over, under, and upon the Common Areas, including the Common Easement Areas:

(i) An easement on all Common Areas for underground 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 the Property.

(ii) An easement for construction, maintenance, repair, and use of Common Areas, including common facilities thereon.

(iii) An easement for the purpose of making repairs to any existing structures on Common Areas.

Declarant or the Association may (and, to the extent required by law, shall) grant or assign such easements to municipalities or other utilities performing utility services and to communication companies, 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 the Property.

(b) **USE OF THE COMMON AREAS.** The Common Areas shall not be partitioned or otherwise divided into parcels for residential use, and no private structure of any type shall be constructed on the Common Areas. Except as otherwise provided in this Declaration, 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, including Common Easement Areas. Nothing herein shall prevent the placing of a sign or signs upon the Common Areas identifying the subdivision or identifying trails or identifying items of interest, provided such signs are approved by the Architectural Review Committee and comply with any applicable City of West Linn sign ordinance. The Board of Directors of the Association shall have authority to abate any trespass or encroachment upon the Common Area at any time, by any reasonable means and with or without having to bring legal proceedings.

(c) **ALIENATION OF THE COMMON AREAS.** The Association may not by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Areas owned directly or indirectly by the Association for the benefit of the Lots unless the holders of at least 80 percent (80%) of the Association voting members have given their prior written approval. This provision shall not apply to the easements described in Section 1.4(a) above.

(d) **LIMITATIONS ON USE.** Use of the Common Areas by the Owners shall be subject to the provisions of this Declaration and to the following:

(i) The right of the association to suspend such use rights of an Owner to the extent provided in Article 8 below.

(ii) The right of the association to adopt, amend, and repeal rules and regulations in accordance with this Declaration.

1.5 DELEGATION OF USE. Any Owner may delegate, in accordance with the Bylaws of the Association, his or her right of enjoyment of the Common Areas to the members of his family and to tenants or contract purchasers who reside on the Property.

1.6 EASEMENT RESERVED BY DECLARANT. So long as Declarant owns any Lot, Declarant reserves an easement over, under, and across the Common Areas in order to carry out sales and rental activities necessary or convenient for the sale or rental of Lots. In addition, Declarant hereby reserves to itself and for the Owners of Lots, a perpetual easement and right-of-way for access over, upon, and across the Common Areas for construction, utilities, communication lines, drainage, and ingress and egress for the benefit of other Property owned by Declarant and future phases of the Property. Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress over, in, upon, under, and across the Common Areas and the right to store materials incident to the construction of the Improvements on the Property or other real property owned by Declarant; provided, however, that no such rights shall be exercised by Declarant in such a way as to unreasonably interfere with the occupancy, use, enjoyment, or access to an Owner's Lot by that Owner or his family, tenants, employees, guests, or invitees.

ARTICLE 2

PROPERTY RIGHTS IN LOTS

2.1 USE AND OCCUPANCY. The Owner of a Lot in the Property shall be entitled to the exclusive use and benefit of such Lot, except as otherwise expressly provided in this Declaration, but the Lot shall be bound by and the Owner shall comply with the restrictions contained in Article 3 below, and all other provisions of this Declaration for the mutual benefit of all Owners.

2.2 UTILITY EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities may be reserved over portions of certain Lots, as shown on the recorded plats. Within the easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easement. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

ARTICLE 3

RESTRICTIONS ON USE OF RESIDENTIAL LOTS AND COMMON AREAS

3.1 STRUCTURES PERMITTED. No structures shall be erected or permitted to remain on an Residential Lot, except structures containing homes and structures normally accessory thereto. The foregoing provision shall not exclude construction of a private greenhouse, storage unit, private swimming pool, or structure for the storage of a boat and/or camping trailer for personal use, provided the location of such structure is in conformity with the applicable City of West Linn regulations, is compatible in design and decoration with the dwelling structure constructed on such Lot, and has been approved by the Architectural Review Committee. Minimum home size shall be two thousand five hundred (2,500) square feet, exclusive of required minimum two- (2) car garage.

3.2 RESIDENTIAL USE. Residential Lots shall only be used for residential purposes. Except with the consent of the Board of Directors of the Association, no trade, craft, business, profession, commercial, or similar activity or any kind shall be conducted on any Residential Lot, nor shall any goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business be kept or stored on any Lot. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the rental or sale of a Residence, (b) the right of Declarant or any contractor or home builder to construct a home on any Residential Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any home as a sales office or model home for purposes of sales in Barrington Height North, and (c) the right of the Owner of a Residential Lot to maintain his professional personal library, keep his personal business or professional records or accounts, handle his personal business or professional telephone calls or confer with business or professional associates, clients or customers, in his home. The Board of Directors shall not approve commercial activities otherwise prohibited by this paragraph unless the Board of Directors determines that only normal residential activities would be observable outside of the residence and that the activities would not be in violation of applicable City of West Linn ordinances.

3.3 OFFENSIVE OR UNLAWFUL ACTIVITIES. No noxious or offensive activities shall be carried on upon any Residential Lot or Common Area, nor shall anything be done or placed on any Residential Lot or Common Area which interferes with or jeopardized the enjoyment of other Lots or the Common Areas, or which is a source of annoyance to residents. No unlawful use shall be made of a Residential Lot nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

3.4 ANIMALS. No animals, livestock, or poultry of any kind shall be raised, bred or kept, or permitted within any Residential Lot other than a reasonable number of household pets which are not kept, bred, or raised for commercial purposes and which are reasonably controlled so as not to be a

nuisance. Any inconvenience, damage, or unpleasantness caused by such pets shall be the responsibility of the respective owners thereof. No dog shall be permitted to roam the Property unattended, and all dogs shall be kept on a leash while outside a Residential Lot. An Owner or resident may be required to remove a pet upon receipt of the third notice in writing from the Association Board of Directors of violations of any rule, regulation, or restriction governing pets within the Property.

3.5 MAINTENANCE OF STRUCTURES AND GROUNDS. Each Owner shall maintain his Residential Lot and Improvements thereon in a clean and attractive condition, in good repair, and in such fashion as not to create a fire hazard. Such maintenance shall include, without limitation, painting, repair, replacement, and care for roofs, gutters, downspouts, exterior building surfaces, walks, and other exterior improvements and glass surfaces. All repainting or restaining and exterior remodeling shall be subject to prior review and approval by the Architectural Review Committee. In addition, each Owner shall keep all shrubs, trees, grass, and plantings of every kind on his Residential Lot or within the street right-of-way adjacent thereto (including, without limitation, street trees planted by Declarant) neatly trimmed, property cultivated and free of trash, weeds, and other unsightly material. Damage caused by fire, flood, storm, earthquake, riot, vandalism, or other causes shall likewise be the responsibility of each Owner and shall be restored within a reasonable period of time.

3.6 PARKING. Parking of boats, trailers, motorcycles, trucks, mobile homes, campers, or other recreational vehicles or equipment, regardless of weight, and parking of any other vehicles in excess of three-quarter (3/4) ton in weight shall not be allowed on any part of the Property nor on public streets adjacent thereto for more than six (6) hours or such other period as may be permitted by the Association Rules and Regulations, excepting only within areas designated for such purposes by the Board of Directors of the Association or within the confines of an enclosed garage or screened area, the plans of which shall have been reviewed and approved by the Architectural Review Committee prior to construction, and no portion of the same may project beyond the screened area. No parking shall be allowed at any time on any street, except for a specific social event at a residence, but in no case longer than twelve (12) hours.

3.7 VEHICLES IN DISREPAIR. No Owner shall permit any vehicle which is in an extreme state of disrepair to be abandoned or to remain parked upon any Residential Lot or on the Common Areas or on any street. A vehicle shall be deemed in an "extreme state of disrepair" when the Board of Directors reasonably determines that its presence offends the occupants of the neighborhood. Should any Owner fail to remove such vehicle, the Association may have the vehicle removed from the Property and charge the expense of such removal to the Owner.

3.8 SIGNS. No signs shall be erected or maintained on any Residential Lot except that not more than one "For Sale" sign placed by the Owner, Declarant, or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any Residential Lot. The restrictions contained in this paragraph shall not prohibit the temporary placement of "political" signs on any Residential Lot by the Owner.

3.9 RUBBISH AND TRASH. No Residential Lot or part of the Common Areas shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal and out of public view. Yard rakings, dirt, and other material resulting from landscaping work shall not be dumped onto streets, Common Areas, or on any Lots. Should any Owner fail to remove any trash, rubbish, garbage, yard rakings, or any such materials from any Lot, any streets or Common Areas where deposited by him with two (2) days following the date on which notice is mailed to him by the Board of Directors of the Association, the Association may have such materials removed and charge the expense of such removal to the Owner.

3.10 LICENSED CONTRACTORS. Unless waived in writing by the Architectural Review Committee, all dwellings shall be constructed using a licensed general contractor approved by the Architectural Review Committee.

3.11 COMPLETION OF CONSTRUCTION. The construction of any building on any Residential Lot, including painting and all exterior finish, shall be completed within twelve (12) months from the beginning of construction so as to present a finished appearance when viewed from any angle. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from the Architectural Review Committee. The building area shall be kept reasonably clean and in workmanlike order, free of litter, during the construction period with a garage can or other garbage disposal facility on the site during such period. If construction has not commenced upon any Residential Lot within one (1) year after acquisition by the Owner, the Owner shall install the sidewalk and landscape the area within twenty (20) feet from the curb. The Owner shall irrigate and maintain this area. The Architectural Review Committee may waive this requirements if it determines that construction will commence within a reasonable time. In any case, all unimproved Residential Lots shall be kept in a neat and orderly condition, free of brush, vines, weeds, and other debris, and grass thereon shall be cut or mowed at sufficient intervals to prevent creation of a nuisance or fire hazard.

3.12 LANDSCAPE. All landscaping must be approved by the Architectural Review Committee and the front yard completed within two (2) months of substantial completion of said residence, and backyard must be completed within six (6) months from the date of occupancy of the residence constructed thereon. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval of the Architectural Review Committee.

3.13 TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuildings shall be used on any Residential Lot at any time as a residence either temporarily or permanently.

3.14 FENCES AND HEDGES. No fences or boundary hedges shall be installed without prior approval of the Architectural Review Committee. All fences must be construction of brick, stucco, stone, or wrought iron. No wood fences shall be allowed.

3.15 TREE REMOVAL. No trees with a diameter of six (6) inches or more, measured at a height of six (6) feet above ground level, may be removed without the prior written approval of the Architectural Review Committee.

3.16 SERVICE FACILITIES. Service facilities (garbage, fuel tanks, clotheslines, etc.) shall be screened such that the elements screened are not visible at any time from the street or a neighboring property.

3.17 EXTERIOR LIGHTING OR NOISE-MAKING DEVICES. Except with the consent of the Architectural Review Committee, no exterior lighting or noise-making devices shall be installed or maintained on any Lot, other than security and fire alarms, and accent house/yard lighting.

3.18 MAXIMUM HEIGHT AND SETBACK REQUIREMENTS. Subject to any variance granted by both the Architectural Review Committee and the City of West Linn, each lot shall be subject to the maximum height and setback requirements as established in Design Guidelines adopted by the Architectural Review Committee.

3.19 PEST CONTROL. No Owner shall permit any thing or condition to exist upon any portion of the Property which shall induce, breed, or harbor infectious plant diseases or noxious insects or vermin.

3.20 GRADES, SLOPES AND DRAINAGE. Each Owner of a Residential Lot shall accept the burden of, and shall not in any manner alter, modify or interfere with, the established drainage pattern and grades, slopes, and courses related thereto over any Residential Lot or Common Area without

the express written permission of the Architectural Review Committee, and then only to the extent and in the manner specifically approved. No structure, plantings, or other materials shall be placed or permitted to remain on or within any grades, slopes, or courses, nor shall any other activities be undertaken which may damage or interfere with established slope ratios, create erosion, or sliding problems, or which may change the direction of flow, or obstruct or retard the flow of water through drainage channels.

3.21 SPECULATION BUILT HOMES. On or before completion, all new homes constructed by a builder upon a speculation basis shall be listed with a licensed real estate broker who is a member of a multiple listing service or who has agreed to co-op with other brokers.

3.22 ASSOCIATION RULES AND REGULATIONS. In addition, 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 Residential Lots 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. 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 Residential Lots upon the date of delivery. The method of adoption of such rules shall be as provided in the Bylaws of the Association.

3.23 DIVISION OF LOTS. No division of any lot shall occur. Lot line adjustments and dissolving lot lines to create bigger lots shall be allowed with consent of Declarant and City of West Linn.

3.24 SIDING AND ROOFING MATERIALS. Stone, stucco, brick or wood/hardy plank lap siding are the only pre-approved exterior applications. Wood shake or tile roofs are required.

3.25 WINDOWS. Wood or wood appearing type windows (vinyl is approved application) are the only pre-approved windows allowed. The Architectural Review Committee may approve other types at their sole discretion.

ARTICLE 4

ARCHITECTURAL REVIEW COMMITTEE

OBJECTIVE

THE ESSENCE OF THIS COMMITTEE SHALL BE TO CREATE AND MAINTAIN A HIGH STANDARD OF CONSTRUCTION FOR THE PROTECTION OF ALL THE HOMEOWNERS OF THIS DEVELOPMENT.

4.1 ARCHITECTURAL REVIEW. No Improvement or landscaping shall be commenced, erected, placed, or altered on any Lot until the construction plans and specifications showing the nature, shape, heights, materials, colors, and proposed location of the Improvement have been submitted to and approved in writing by the Architectural Review Committee. It is the intent and purpose of this Declaration to assure quality of workmanship and materials, to assure harmony of external design with the existing Improvements and landscapes and as to location with respect to topography and finished grade elevations, and to avoid plan repetition. The Architectural Review Committee is not responsible for determining compliance with structural and building codes, solar ordinances, zoning codes, or other governmental regulations, all of which are the responsibility of the applicant. The procedure and specific requirements for review and approval of residential construction may be set forth in Design Guidelines adopted from time to time by the Architectural Review Committee. In all cases which the Architectural Review Committee consent is required by this Declaration, the provisions of this Article shall apply.

4.2 COMMITTEE DECISION. The Architectural Review Committee shall render its decision with respect to the construction proposal within fifteen (15) working days after it has received all material required by it with respect to the application. In the event the Committee fails to render its approval or disapproval within thirty (30) working days after the Committee has received all material required by it with respect to the proposal, or if no suit to enforce this Declaration has been commenced within one (1) year after completion thereof, approval will not be required and the related provisions of this Declaration shall be deemed to have been fully complied with.

4.3 DESIGN REVIEW CRITERIA. The Architectural Review Committee shall use as its criteria, but not be limited to, the following items:

- (a) Each home shall be constructed to include at least two thousand five hundred (2,500) square feet (net of garage square footage).
- (b) Each home shall have a minimum of two (2) covered and enclosed garage spaces. This structure may be attached or detached, but in any case, used exclusively for one residence.
- (c) Tile or wood shake roofs shall be the only type roofs allowed within this development.

(d) All exterior walls shall be constructed of masonry or lap siding materials only. Brick, stucco, stone, hardy plank, or wood lap siding are the only pre-approved applications allowed.

(e) All fences shall be constructed of either masonry or wrought iron type fence materials. The only exception shall be black-coated chain link for tennis court/sport court applications only.

(f) Street trees shall be required to be planted between the curb and sidewalk at thirty-five- (35) foot increments. Said trees shall be of the same species and size (two- [2] to three- (3) inch caliper or larger), and shall be determined by this Committee.

(g) No 0-clearance fireplaces shall be allowed without proof that said chimney shall entirely resemble a masonry fireplace.

(h) Lawn shall be required to be planted between the curb and sidewalk. No other planting other than the street trees and lawn shall be allowed in this space.

(i) A four- (4) foot, zero- (0) inch brick wall shall be constructed on the front of Lots 1-10, at the property line, out of the same material the Beacon Hill/Lorinda Lane entry is built.

4.4 COMMITTEE DISCRETION. The Architectural Review Committee may, at its sole discretion, withhold consent to any proposal work if the Committee finds the proposed work would be inappropriate for the particular Lot or incompatible with the design standards that the Committee intends for Barrington Heights North. Consideration such as siting, shape, size, color, design, height, solar access, impairment of the view from other Lots within Barrington Heights North or other effect on the enjoyment of other Lots or the Common Areas, disturbance of existing terrain and vegetation and any other factors which the Committee reasonably believes to be relevant, may be taken into account by the Committee in determining whether or not to consent to any proposed work.

4.5 MEMBERSHIP: APPOINTMENT AND REMOVAL. The Architectural Review Committee shall consist of as many persons, but not less than three, as the Declarant may from time to time appoint. At least one member shall be a professional in the field of architecture. The Declarant may remove any member of the Committee from office at any time and may appoint new or additional members at any time. The Association shall keep on file at its principal office a list of the names and addresses of the members of the Committee. Declarant may at any time delegate to the Board of Directors of the Association the right to appoint or remove members of the Architectural Review

Committee. In such event, or in the event Declarant fails to appoint an Architectural Review Committee, the Board of Directors shall assume responsibility for appointment and removal of members of the Architectural Review Committee, or if it fails to do so, the Board of Directors of Barrington Heights Homeowners Association shall serve as the Architectural Review Committee. Declarant shall be a perpetual member of the Committee.

4.6 MAJORITY ACTION. Except as otherwise provided in this Declaration, a majority of the members of the Architectural Review Committee shall have the power to act on behalf of the Committee, without the necessity of a meeting and without the necessity of consulting the remaining members of the Committee. The Committee may render its decision only by written instrument setting forth the action taken by the members consenting thereto.

4.7 LIABILITY. Neither the Architectural Review Committee nor any member thereof shall be liable to any Owner, occupant, builder, or developer for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act of the Committee or a member thereof, provided only that the member has, in accordance with the actual knowledge possessed by him, acted in good faith.

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

4.9 APPEAL. At any time after Declarant has delegated appointment of the members of the Architectural Review Committee to the Board of Directors of the Association pursuant to Section 4.4, any Owner adversely affected by action of the Architectural Review Committee may appeal such action to the Board of Directors of the Association. Appeals shall be made in writing within ten (10) days of the Committee's action and shall contain specific objections or mitigating circumstances justifying the appeal. A final, conclusive decision shall be made by the Board of Directors of the Association within fifteen (15) working days after receipt of such notification.

4.10 EFFECTIVE PERIOD OF CONSENT. The Architectural Review Committee's consent to any proposed work shall automatically be revoked one (1) year after issuance unless construction of the work has been commenced or the Owner has applied for and received an extension of time from the Committee.

4.11 ESTOPPEL CERTIFICATE. Within fifteen (15) working days after written request is delivered to the Architectural Review Committee by any Owner, and upon payment to the Committee of a reasonable fee fixed by the

Committee to cover costs, the Committee shall provide such Owner with an estoppel certificate executed by a member of the Committee and acknowledged, certifying with respect to any Lot owned by the Owner, that as of the date thereof, either: (a) all Improvements made or done upon or within such Lot by the Owner comply with this Declaration, or (b) such Improvements do not so comply, in which event the certificate shall also identify the noncomplying Improvements and set forth with particularity the nature of such noncompliance. Any purchaser from the Owner, and any mortgage or other encumbrance, shall be entitled to rely on such certificate with respect to the matters set forth therein, such matters being conclusive as between Declarant, the Architectural Review Committee, the Association and all Owners, and such purchaser or mortgagee.

ARTICLE 5

ASSOCIATION

Declarant shall organize an association of all of the Owners within Barrington Heights Homeowners Association. Such Association, its successors and assigns, shall be organized under the name "Barrington Heights Homeowners Association" or such similar name as Declarant shall designate, and shall have such property, powers, and obligations as are set forth in this Declaration for the benefit of the Property and all Owners of property located therein, and the Barrington Heights Homeowners Association already in effect in said development.

5.1 **ORGANIZATION.** Declarant shall organize the Association as a nonprofit corporation under the general nonprofit corporation laws of the State of Oregon. The Articles of Incorporation of the Association shall provide for its perpetual existence, but in the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event all of the property, powers, and obligations of the incorporated Association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association, and such vesting shall thereafter be confirmed as evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, any successor unincorporated association shall be governed by the Articles of Incorporation and Bylaws of the Association as if they had been made to constitute the governing documents of the unincorporated association.

5.2 **MEMBERSHIP.** Every Owner of one or more Lots within the Property shall immediately upon creation of the Association and thereafter during the entire period of such Owner's ownership of one (1) or more Lots within the Property 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.

5.3 VOTING RIGHTS. Voting rights within the Association shall be one (1) vote per residence.

5.4 GENERAL POWERS AND OBLIGATIONS. The Association shall have, exercise and perform all of the following powers, duties, and obligations"

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

(b) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon.

(c) The powers, duties, and obligations of a homeowners association pursuant to the Oregon Planned Community Act.

(d) 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 or otherwise promoting the general benefit of the Owners within the Property.

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 nonprofit corporation laws of the State of Oregon.

5.5 SPECIFIC POWERS AND DUTIES. The powers and duties of the Association shall include, without limitation, the following:

(a) MAINTENANCE AND SERVICES. The Association shall provide maintenance and services for the Property as provided in Article 6 and other provisions of this Declaration.

(b) INSURANCE. The Association shall obtain and maintain in force policies of insurance as provided in this Declaration or the Bylaws of the Association.

(c) RULEMAKING. The Association shall make, establish, promulgate, amend, and repeal Rules and Regulations as provided in Section 3.23 of this Declaration.

(d) ASSESSMENTS. The Association shall adopt budgets and impose and collect Assessments as provided in Article 7 of this Declaration.

(e) ENFORCEMENT. The Association shall perform such acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce the provisions of this Declaration and the Rules and Regulations adopted by the Association, including, without limitation, enforcement of the decisions of the Architectural Review Committee.

(f) EMPLOYMENT OF AGENTS, ADVISERS AND CONTRACTORS. The Association, through its Board of Directors, may employ the services of any person or corporation as managers, hire employees to manage, conduct, and perform the business, obligations, and duties of the Association, employ professional counsel and obtain advice from such persons or firms or corporations such as, but not limited, landscape architects, recreational experts, architects, planners, lawyers, or convenient for the management, maintenance, and operation of the Property.

(g) BORROW MONEY, HOLD TITLE AND MAKE CONVEYANCES. The Association may borrow and repay moneys for the purpose of maintaining and improving the Common Areas, subject to Section 1.4 (c) above, and encumber the Common Areas as security for the repayment of such borrowed money. The Association may acquire, hold title to, and convey, with or without consideration, real and personal property and interests therein, including but not limited to easements across all or any portion of the Common Areas, and shall accept any real or personal property, leasehold, or other property interests within Barrington Heights North conveyed to the Association by Declarant.

(h) TRANSFER, DEDICATION AND ENCUMBRANCE OF COMMON AREAS. Except as otherwise provided in Section 1.4 (c) above, the Association may sell, transfer, or encumber all or any portion of the Common Areas to a person, firm, or entity, whether public or private, and dedicate or transfer all or any portion of the Common Areas to any public agency, authority, or utility for public purposes.

(i) CREATE CLASSES OF SERVICE AND MAKE APPROPRIATE CHARGES. The Association may, in its sole discretion, create various classes of service and make appropriate Individual Assessments or charges therefor to the users thereof, including but not limited to reasonable admission and other fees for the use of any and all recreational facilities situated on the Common Areas, and avail itself of

any rights granted by law, without being required to render such services to those of its members who do not assent to such charges and to such other Rules and Regulations as the Board of Directors deems proper. In addition, the Board of Directors shall have the right to discontinue any service upon nonpayment or to eliminate such service for which there is no demand or adequate funds to maintain the same.

5.6 LIABILITY. A member of the Board of Directors or an officer of the association shall not be liable to the Association or any member thereof for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for acts of gross negligence or intentional acts. In the event any member of the Board of Directors or any officer of the Association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law.

5.7 TURNOVER MEETING. Declarant shall call a meeting of the Association for the purpose of turning over administrative responsibility for the Property to the Association not later than one hundred twenty (120) days after Lots, representing seventy-five percent (75%) of the voting power computed, have been sold and conveyed to Owners other than Declarant.

5.8 DECLARANT CONTROL AFTER TURNOVER. After the turnover meeting, Declarant shall continue to have the voting rights described in Section 5.3 above.

5.9 CONTRACTS ENTERED INTO BY DECLARANT PRIOR TO TURNOVER MEETING. Notwithstanding any other provision of this Declaration, any leases of contracts (including management contracts, service contracts, and employment contracts) entered into by the Declarant on behalf of the Association prior to the turnover meeting described in Section 5.7 above shall have a term not in excess of three (3) years. In addition, any such lease or contract shall provide that it may be terminated without cause or penalty by the Association or Board of Directors upon not less than thirty (30) nor more than ninety (90) days' notice to the other party given at any time after the turnover meeting described in Section 5.7 above.

ARTICLE 6

6.1 MAINTENANCE AND LIGHTING OF COMMON AREAS. The Association shall provide exterior lighting for and perform all maintenance upon the Common Areas, Common Easement Areas, and Limited Common Areas, including but not limited to grass, trees, walks, private roads, entrance gates, street lighting along public and private road, and signs, parking areas, walkways

and trails, unless the maintenance thereof is assumed by a public body. Such areas shall be maintained in a safe condition to at least applicable City of West Linn standards, and in a good and workmanlike manner such as to carry out the purpose for which such areas are intended.

6.2 MAINTENANCE OF UTILITIES. The Association shall perform or contract to perform maintenance of all private utilities within Common Areas, or private streets, such as sanitary sewer service lines, domestic water service lines and storm drainage lines, except to the extent such maintenance is performed by the utilities furnishing such services. Each Owner shall be responsible for maintaining utility lines within his Lot.

6.3 SERVICES. The Association shall provide or contract for such services as the Board may reasonably deem to be of benefit to the Property, including, without limitation, garbage and trash removal for Common Areas and security services.

ARTICLE 7

7.1 PURPOSE OF ASSESSMENTS. The Assessment levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and occupants of Barrington Heights North and for the improvement, operation, and maintenance of the Common Areas.

7.2 TYPES OF ASSESSMENTS. The Association may levy Annual Assessments, Special Assessment, Emergency Assessments, Limited Common Area Assessments and Individual Assessments, all as more particularly described below.

7.3 APPORTIONMENT OF ASSESSMENTS. Lots owned by Declarant shall not be subject to Assessments until such time as the Lot is occupied for a residential use, as applicable, subject to accrual of reserves as described in Section 7.10 below. All other Lots shall pay a pro rata share of the Annual Assessments, Special Assessments, Emergency Assessments, and Limited Common Area Assessments commencing upon the date such Lots are made subject to this Declaration. The pro rata share shall be based upon the total amount of each such Assessment divided by the total number of Lots subject to Assessment.

7.4 ANNUAL ASSESSMENTS. The Board of Directors of the Association shall from time to time and at least annually prepare an operating budget for the Association, taking into account the current costs of 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 as may be required by law, but not less than the reserves required by Section 7.10 below. Annual Assessments for such operating expenses and reserves ("Annual Assessments") shall then be apportioned among the Lots as provided in Section 7.3 above. The method of adoption of the budget and the manner of billing and collection of Assessments shall be as provided in the Bylaws.

7.5 SPECIAL ASSESSMENTS. In addition to the Annual Assessment authorized above, the Board of Directors may levy during any fiscal year a Special Assessment ("Special Assessment"), applicable to that year only, for the purpose of deferring all or any part of the cost of any construction or reconstruction, unexpected repair, or acquisition or replacement of a described capital improvement, or for any other one-time expenditure not to be paid for out of Annual Assessments. Special Assessments which in the aggregate in any fiscal year exceed an amount equal to fifteen percent (15%) of the budgeted gross expenses of the Association for the fiscal year may be levied only if approved by a majority of the homeowners voting on such matter. Special Assessments shall be apportioned as provided in Section 7.3 above and may be payable in lump sum or in installments, with or without interest or discount, as determined by the Board of Directors.

7.6 EMERGENCY ASSESSMENTS. If the Annual Assessments levied at any time are, or will become, inadequate to meet all expenses incurred under this Declaration for any reason, including nonpayment of any Owner's Assessments on a current basis, the Board of Directors of the Association shall immediately determine the approximate amount of such inadequacy and issue a supplemental budget, notes as to the reason therefor, and levy an Emergency Assessment for the amount required to meet all such expenses on a current basis ("Emergency Assessment"). Any Emergency Assessment which in the aggregate in any fiscal year would exceed an amount equal to five percent (5%) of the budgeted gross expenses of the Association for the fiscal year may be levied only if approved by not less than a majority of the voting rights on such matter. Emergency Assessments shall be apportioned as set forth in Section 7.3 above and payable as determined by the Board of Directors.

7.7 LIMITED COMMON AREA ASSESSMENTS. Annual Assessments, Special Assessments, and Emergency Assessments relating to maintenance, upkeep, repair, replacement, or improvements to Limited Common Areas ("Limited Common Area Assessments") shall be assessed exclusively to the Lots having the right to use such Limited Common Areas, such as Lots within the gated area.

7.8 INDIVIDUAL ASSESSMENTS. Any common expense or any part of a common expense benefiting fewer than all of the Lots may be assessed exclusively against the Lots benefited ("Individual Assessment"). Individual

Assessments include, without limitation, charges for services provided under Section 5.5 (i). Individual Assessments shall also include default assessments levied against any Lot to reimburse the Association for costs incurred in bringing such Lots or its Owner into compliance with the provisions of this Declaration or the Rules and Regulations of the Association and for fines or other charges imposed pursuant to this Declaration for violation thereof. Unless otherwise provided by the Board of Directors, Individual Assessments shall be due 30 days after the Board of Directors has given written notice thereof to the Owners subject to the Individual Assessments.

7.9 OPERATIONS FUND. The Association shall keep all funds received by it as Assessments, other than reserves described in Section 7.10, separate and apart from its other funds, in an account to be known as the "Operations Fund." The Association shall use such fund exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents within the Property and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and of the Lots situated upon the Property, including but not limited to:

(a) Payment of the cost of maintenance, utilities, and services as described in Article 6.

(b) Payment of the cost of insurance as described in the Bylaws of the Association.

(c) Payment of taxes assessed against the Common Areas and any improvements thereon.

(d) Payment of the cost of other services which the Association deems to be of general benefit to the Owners, including but not limited to accounting, legal and secretarial services.

7.10 RESERVE FUND. The Declarant shall establish a reserve fund for replacement of those items to be maintained by the Association all or a part of which will normally require replacement in more than three (3) and less than thirty (30) years ("Reserve Fund"). Such Reserve Fund shall be funded by Assessments against the individual Lots assessed for maintenance of the items for which the Reserve Fund is being established. The Assessments under this section begin accruing against each Lot from the date the first Lot in the Property is conveyed. The Declarant may defer payment of the accrued Assessments for a Lot until the Lot is conveyed. The amount assessed shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of such items. The Reserve Fund shall be established in the name of the Association and shall be adjusted at

regular intervals to recognize changes in current replacement costs over time. The Reserve Fund shall be used only for replacement of common property as determined by the Board of Directors and shall be kept separate from the Operations Fund. After the turnover meeting described in Section 5.7, however, the Board of Directors may borrow funds from the Reserve Fund to meet high seasonal demands on the regular operating funds or to meet other temporary expenses which will later be paid from Annual Assessments, Special Assessments, Emergency Assessments, or Limited Common Area Assessments. Nothing in this section shall prohibit prudent investment of the reserve account. Following the second year after the turnover meeting, future Assessments for the Reserve Fund may be reduced, eliminated, or decreased by an affirmative vote of not less than seventy-five percent (75%) of the voting power of the Association. Assessment paid into the Reserve Fund are the property of the Association and are not refundable to sellers or Owners of Lots. Sellers of the Lots, however, may treat their outstanding share of the Reserve Fund as a separate item in any sales agreement.

7.11 CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. Declarant, for each Lot owned by it within the Property, does hereby covenant, and each Owner of any Lot 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 attorneys' fees imposed pursuant to Section 8.6, shall be a charge on the land and shall be a continuing lien upon the Lot 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 Lot 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 8 below.

ARTICLE 8

ENFORCEMENT

8.1 USE OF COMMON AREAS. In the event any Owner shall violate any provision of this Declaration, the Bylaws of the Association or other rules adopted by the Association governing the use of Common Areas, then the Association, acting through its Board of Directors, shall notify the Owner in writing that the violations exist and that he is responsible for them, and may, after reasonable notice and opportunity to be heard, do any or all of the following: (a) suspend his 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) impose reasonable fines upon the Owner, in the manner and amount the Board deems appropriate in relation to the violation, which fines shall be paid into the Maintenance Fund, or (c) bring suit or action against such Owner to enforce this Declaration. Nothing in this section, however, shall give the Association the right to deprive any Owner or access to and from his Lot.

8.2 NONQUALIFYING IMPROVEMENTS AND VIOLATION OF GENERAL PROTECTIVE COVENANTS. In the event any Owner constructs or permits to be constructed on his 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 his Lot, then the Association acting through its Board of Directors shall notify the Owners in writing of any such specific violations of this Declaration and shall require the Owner to remedy or abate the same in order to bring his Lot, the Improvements thereon and his use thereof, into conformance with this Declaration. If the Owner is unable, unwilling, or refuses to comply with the Association's specific directives for 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 the right to do any or all of the following:

(a) Impose reasonable fines against such Owner in the manner and amount the Board deems appropriate in relation to the violation, which fines shall constitute Individual Assessments for purposes of this Declaration;

(b) Enter the offending Lot and remove the cause of such violation, or alter, repair, or change the items which is in violation of this 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, which amount shall be payable to the Operations Fund, provided that no items of construction shall be altered or demolished in the absence of judicial proceedings; or

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

8.3 DEFAULT IN PAYMENT OF ASSESSMENTS: ENFORCEMENT OF LIEN. If an assessment 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 at the rate set forth

below. In such event the Association may exercise any or all of the following remedies:

(a) The Association may suspend such Owners 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 immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from his Lot.

(b) The Association shall have a lien against each Lot for any assessment levied against the Lot and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Lot 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 87.382 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 at such foreclosure sale, and may acquire and hold, lease, mortgage, and convey the Lot.

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

(d) The Association shall have any other remedy available to it by law or in equity.

8.4 NOTIFICATION OF FIRST MORTGAGEE. The Board of Directors shall notify any first mortgagee of any individual Lot of any default in performance of this Declaration by the Lot Owner which is not cured within sixty (60) days.

8.5 SUBORDINATION OF LIEN TO MORTGAGES. The Lien of the assessments or charges provided for in this Declaration shall be subordinate to the lien of any mortgage or deed of trust on such Lot 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 shall not affect the assessment lien, but the sale or transfer of any Lot which is subject to any mortgage or deed of trust pursuant to a decree of foreclosure thereunder or any deed or proceeding, deed, or assignment in lieu of foreclosure shall extinguish any lien of an assessment notice of which was recorded after the recording of the mortgage or trust deed.

Such sale or transfer, however, shall not release the Lot from liability for any assessments or charges thereafter becoming due or from the lien of such assessments or charges.

8.6 INTEREST EXPENSES AND ATTORNEYS FEES. Any amount not paid to the Association when due in accordance with this Declaration shall bear interest from the due date until paid at a rate three percentage points per annum above the prevailing Portland, Oregon prime rate at the time, or such other rate as may be under the laws of the State of Oregon. 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 thirty percent (30%) 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 attorneys' fees at trial and upon any appeal or petition for review thereof or in connection with any bankruptcy proceedings or special bankruptcy remedies.

8.7 NONEXCLUSIVENESS AND ACCUMULATION 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. The remedies provided in this Declaration are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law to the Association. In addition, any aggrieved Owner may bring an action against another Owner or the Association to recover damages or to enjoin, abate, or remedy any violation of this Declaration by appropriate legal proceedings.

8.8 ENFORCEMENT BY CITY OF WEST LINN. The provisions of this Declaration relating to preservation and maintenance of Common Areas shall be deemed to be for the benefit of the City of West Linn as well as the Association and Owners of Lots, and the City may enforce such provisions by appropriate proceedings at law or in equity.

ARTICLE 9

MORTGAGEES

9.1 REIMBURSEMENT OF FIRST MORTGAGEES. First mortgagees of Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy, for such Common Area. First mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

9.2 RIGHT OF FIRST MORTGAGEES RELATING TO MAINTENANCE. At any time that the Common Areas 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 (1) year following the date of such notice. During this one- (1) 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 9.2 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.

ARTICLE 10

MISCELLANEOUS PROVISIONS

10.1 AMENDMENT AND REPEAL. This Declaration, or any provision thereof, as from time to time in effect with respect to all or any part of the Property, may be amended or repealed by the vote or written consent of Owners holding not less than seventy-five percent (75%) of the voting rights in the Association. Any such amendment or repeal shall become effective only upon recordation in the Deed Records of Clackamas 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 said 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. To the extent any amendment relates to the preservation or maintenance of the Common Areas or private utility lines, or the existence of an entity responsible

for accomplishing the same, such amendment shall be approved by the City of West Linn.

10.2 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 within the Property 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 within the Property 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 voting rights in the Association. Any such termination shall become effective only if (a) a certificate of the president or secretary of the Association, certifying that termination as of a specified terminate date has been approved in the manner required herein, is duly acknowledged and recorded in the Deed Records of Clackamas County, Oregon, not less than six (6) months prior to the intended termination date, and (b) prior to the intended termination date, such termination has been approved by an order or resolution of the City of West Linn and a copy of which shall have been recorded in the Deed Records of Clackamas County, Oregon. Such termination shall not have the effect of denying any Owner of access to his Lot unless such Owner and any mortgagee of such Lot have consented in writing to the termination.

10.3 JOINT OWNERS. In any case in which two (2) or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one (1) 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.

10.4 LESSEES AND OTHER INVITEES. Lessees, invitees, contractors, family members, and other persons entering the Property under rights derived from a:1 Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvements, or enjoyment of his Lot

and other areas within the Property. 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 himself.

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

10.6 CONSTRUCTION; SEVERABILITY; NUMBER; CAPTIONS. This Declaration shall be liberally construed as an entire document to accomplish the purposes thereof as stated in the introductory paragraphs hereof. Nevertheless, each provision of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.

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

IN WITNESS WHEREOF, Declarant has executed this Declaration this 15 day of December, 1999.

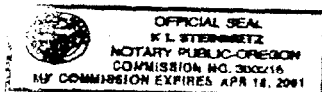
By <u>[Signature]</u>	By <u>[Signature]</u>
Its <u>PRESIDENT</u>	Its <u>GEN. PARTNER</u>
For Majestic Homes Inc.	For Imperial Plaza Co.

STATE OF OREGON)

) SS.

County of Clackamas)

The foregoing instrument was acknowledged before me this 15 day of December, 1999 by MIKE NORRIS of MAJESTIC HOMES INC., an Oregon corporation, on its behalf and by MIKE NORRIS of Imperial Plaza Co. an Oregon limited partnership, on its behalf.



[Signature]
Notary Public for Oregon
My commission expires:

STATE OF OREGON 99-115680
CLACKAMAS COUNTY
Received and placed in the public
records of Clackamas County
RECEIPT# AND FEE: 104081 \$106.00
DATE AND TIME: 12/17/99 12:46 PM
JOHN KAUFFMAN, COUNTY CLERK