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DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by
the undersigned, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the
City of Eugene, County of Lane, State of Oregon, which is more
particularly described as:

B 9 * 6E79 4109 00075.69

Beginning at a point being North 89° 54' 11" West,
56.30 feet from the South one-quarter corner of Section
2, Township 18 South, Range 4 West of the Willamette
Meridian; thence North 89° 54' 11" West 1651.12 feet;
thence North 0° 01' 16" East 784.87 feet; thence South
89° 52' 26" East 388.60 feet; thence South 138.40 feet;
thence South 68° 40' East 230.80 feet; thence South 47°
00' East 42.50 feet; thence North 55° 00' East 116.00 feet;
thence South 67° 00' East 693.50 feet; thence East 391.35
feet to the centerline of Hawkins Heights Boulevard; thence
along said centerline along the arc of a 179.05 foot radius
curve left (the chord of which curve bears South 27° 41'
11" West 157.08 feet) a distance of 162.61 feet; thence
continuing along said centerline South 1° 40' 06" West
192.06 feet; thence leaving said centerline North 89°
54' 11" West 30.00 feet to the Initial Point of Beginning,
in Lane County, Oregon;

GENERAL DESCRIPTION

The subdivision will consist of 82 lots 39 through 120,
and a common area known as lot A. The lots will be used for resi-
dential usage with design and size controlled by the Architectural
Committee consisting of the Declarants and James Redden, Architect.

NOW THEREFORE, Declarant hereby declares that all of the
properties described above shall be held, sold and conveyed subject
to the following easements, restrictions, covenants, and conditions,
which are for the purpose of protecting the value and desirability

of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof, and to the benefit of the City of Eugene, and Lane County.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Krumdieck Park Home Owners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Lot A of plat known as Krumdieck Park in Section 2, Township 18 South, Range 4 West, Willamette Meridian, as platted in File 73 Slides 221, Lane County, Oregon.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

7939599

Section 6. "Declarant" shall mean and refer to the undersigned, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "City" means the City of Eugene, Oregon, a municipal corporation.

Section 8. "County" means Lane County, Oregon.

Section 9. "Local Improvement" has the meaning given that term by ORS 223.387 (1).

Section 10. "Local Improvement Assessment" means an assessment or reassessment made by the City in Accordance with ORS 223.387 to 223.485 which affects the Common Area.

Section 11. "Taxes" means real property taxes assessed upon the Common Area.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The exclusive right of each owner to use of a covered parking area to be assigned by number at the time of purchase.

(b) The right of the Association to charge reasonable Admission and other fees for the use of any recreational facility situated upon the Common Area;

(c) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner

for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members and further subject to acceptance of such dedication or transfer shall be effective unless an instrument signed by two - thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any owner may delegate his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote

7939599

for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) On January 1, 1982.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned with the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed, is deemed to covenant and agree to pay to the Association: (1) annual assessment, (2) special assessments for capital improvements, and (3) special charges for Taxes and Local Improvement Assessments upon the Common Area, such assessments to be established and collected as hereinafter provided. (4) Fines or penalties levied by the Association for violation of rules and regulations of the Association. The annual and

special assessments, and special charges, fines and penalties, together with interest, cost and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment and charge, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessments or charges shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and for payment of Taxes and Local Improvement Assessments upon the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Ten (\$10.00) Dollars per Lot per month.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the

7939599

maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the monthly, quarterly or annual assessment at an amount not in excess of the maximum, after consideration of current maintenance costs and future needs of the Association.

(d) The Board of Directors may provide in rules and regulations for penalties and fines for violation of the rules and regulations.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Special Charges for Taxes and Local Improvement Assessments. In addition to annual and special assessments provided above, the Association shall, by its Board of Directors, without necessity of a meeting or a vote by any members, fix a special charge for the purpose of paying Taxes or Local Improvement Assessments due upon the open area in an amount sufficient to pay such obligations

before they become delinquent, the Association having the right to pay such Taxes or Local Improvement Assessments in installments as provided by law. Provided, the Board of Directors shall not be required to fix such special charge if it determines, in its sole discretion that there are sufficient funds in reserve from the annual assessment to satisfy the Association's obligation to pay the Taxes and Local Improvement Assessments.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Uniform Rate of Assessments or Special Charges. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis. Special charges for Taxes and Local Improvement Assessments must be fixed at a uniform rate for all Lots in the same manner as provided in Article V, Section 2, and may be collected in a manner deemed necessary by the Board of Directors to satisfy those obligations.

7939599

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates for annual and special assessments and special charges for Taxes and Local Improvement Assessments shall be established by the Board of Directors, and written notice of all assessments and special charges shall be sent to every Owner subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment or special charge not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 10 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments or special charges provided for herein by non-use or suspension of use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the annual and special assessments and special charges provided for herein shall be subordinate to the lien of any first mortgage,

or trust deed. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) All Properties expressly dedicated to and accepted by a local public authority; (b) Common Areas; (c) Other properties owned by the Association.

ARTICLE V

TAXES AND LOCAL IMPROVEMENT ASSESSMENTS

UPON COMMON AREA

Section 1. Covenant to Pay - Lien in Favor of City and County.

Notwithstanding any other provision of this Declaration to the contrary, Declarant, for each Lot owned within the Properties, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay a prorata share, as defined in Section 2, of Taxes and Local Improvement Assessments upon the Common Area. The prorata portion of the Taxes and Local Improvement Assessments, together with interest and other charges lawfully imposed, shall be a charge and a continuing lien upon each Lot. The prorata share of such Taxes and Local Improvement Assessments, together with interest and other charges lawfully imposed, shall also be the personal obligation of the person who is the Owner of the Lot at the time such tax or assessment becomes a lien upon the Common Area,

7939599

as provided in ORS 223.373 with respect to Local Improvement Assessments and as provided in ORS 311.405 with respect to Taxes.

Section 2. Prorata Share Defined. All the Taxes and Local Improvement Assessments upon the Common Area, together with interest and other charges lawfully imposed, shall be deemed to be apportioned equally to each Lot and Lot Owner on the basis of the total number of Lots, excluding the Common Area. The prorata share shall be equal to a fraction of the Taxes and Local Improvements Assessments in which the numerator is one and the denominator is the total number of Lots shown on the recorded subdivision plat map, excluding the Common Area.

Section 3. Intent of Declarant. As expressed elsewhere in this Declaration, the Common Area is for the use, enjoyment and benefit of the Lots and Lot Owners and in that respect the maintenance and improvement of the Common Area and the payment of Taxes and Local Improvement Assessments upon the Common Area touches and concerns all Lots equally. It is the expressed intent of the Declarant to create and declare a benefit to the City with respect to Local Improvement Assessments and a benefit to the County with respect to Taxes by creating a lien upon each Lot for its prorata share of such obligations imposed upon the Common Area. It is also the intent of Declarant that the liens created in favor of the City and County shall be separate from and in addition to any lien in favor of the Association created under Article IV with respect to special charges for Taxes and Local Improvement Assessments; that the obligation of the Lot Owners for their prorata share of the Taxes and Local Improvement Assessments shall be joint and several; and that the City and County, respectively, shall

7939599

have the right and option to proceed with any one or more of the remedies granted hereunder or by law for the collection of such Taxes and Local Improvement Assessments. Nothing herein is intended to affect the rights of the City and County with respect to other Taxes and assessments lawfully imposed upon any Lot.

Section 4. Enforcement of Liens - Priority. The City may enforce the liens created herein for its benefit upon the lots in the manner provided in ORS 223.505 to 223.595 and the County may enforce the liens created herin for its benefit upon the Lots in the manner provided in ORS 312.005 to 312.990, and any other applicable law, or the corresponding provisions of any such future laws. Nothing in this Declaration shall impair or alter or shall be construed to impair or alter the priority accorded by law to the liens created herein for Taxes and Local Improvement Assessments; such liens shall have the same priority over all other liens as is provided by law.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the properties and placed on or immediately adjacent to the dividing line between the Lots owned by different persons shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts of omissions shall apply thereto.

7939599

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners whose Lots abut such wall.

Section 3. Exterior Maintenance. The cost of reasonable repair and maintenance of the exterior portion of structures with abutting party walls shall be shared equally by the Owners whose Lots abut such wall. These include, without being limited to, the following: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, walks, decks, and other exterior maintenance. Such exterior maintenance shall not include glass surfaces.

Section 4. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution for the others under any rule of law regarding liability for negligent or willful act or omissions. The word "use" as referred to herein means ownership of a dwelling unit or other structure which incorporates such wall or any part thereof.

Section 5. Weatherproofing. Notwithstanding any other provisions of this Article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements, in addition to any liability for consequential damages.

7939599

Section 6. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 7. Arbitration. Any dispute concerning a party wall or any provisions of this Article shall be arbitrated. Each party shall choose one arbitrator, and such arbitrators shall choose an additional arbitrator, and the decision shall be by a majority of all the arbitrators.

Section 8. Encroachments. If any portion of a party wall or other part of a building or structure, including but not limited to roof overhangs, porches and fireplaces, now or hereafter constructed upon said property encroaches upon any part of the Common Areas or upon the Lot or Lots used or designated for use by another Lot Owner, an easement for the encroachment and for the maintenance of same is granted and reserved and shall exist, and be binding upon the Declarant and upon all present and future Owners of any part of said property for the benefit of the present and future Owners of such encroaching building or structure for the purpose of occupying and maintaining same; in the event a structure consisting of more than one dwelling unit becomes partially or totally destroyed or in need of repair or replacement, mutual and reciprocal easements are granted and reserved upon the Common Areas and in and upon each dwelling unit and Lot for the benefit of the Association and the adjacent Owner or Owners to the extent reasonably necessary or advisable to make repairs and replacements; and minor encroachments resulting from any such repairs and/or replacements and the maintenance

7939599

thereof are hereby granted and reserved for the benefit of the present and future owners thereof. The easements for encroachment herein granted and reserved shall run with the land.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. No building, fence, wall, hedge, structure, improvement, obstruction, ornament, landscaping or planting shall be placed or permitted to remain upon or be removed from any part of said property unless a written request for approval thereof has been approved in writing by a majority of the Architectural Committee or by its representative designated by a majority of the Committee.

Section 2. The Architectural Committee referred to herein shall be composed of Oscar Krumdieck, Carl Krumdieck and James Redden. Its decision shall be final and binding; however, applications may be resubmitted. Upon failure of the Committee or its designated representative to approve or disapprove any application for a period of thirty (30) days after it has been submitted in writing to the Chairman of the Committee or his designated representative, said application will be deemed to have been approved. The original members of the Committee shall serve for three, two and one years, respectively. Thereafter, new members shall be elected for a term of three years by a majority vote of the Board of Directors of the Association. If any member of the Committee is unable or unwilling to act, the remaining members shall elect a successor to serve out the unexpired term.

7939599

Section 3. No member of the Architectural Committee, however created or constituted, shall receive any compensation from the Association or make any charge for his services as such.

ARTICLE VIII USE RESTRICTIONS

The following restrictions shall be applicable to the real property described above and shall be for the benefit of and limitations upon all present and future Owners of said property, or of any interest therein:

Section 1. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

Section 2. Unless written approval is first obtained from the Architectural Committee, no sign of any kind shall be displayed

7939599

to the public view on any lot or building on said property except one professional sign of not more than five square feet advertising the property for sale or rent, or signs used by the developer to advertise the property during the construction and sales period.

Section 3. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said property, except dogs, cats or other tame, domestic household pets, provided that such household pets are not kept, bred or maintained for any commercial purpose. The number of pets kept on each lot may be limited by rule prescribed by the Directors, but the number shall not be reduced below two for each lot owner.

Section 4. No part of said property shall be used or maintained as a dumping ground for rubbish, trash, garbage or any other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean, odorless and sanitary condition.

Section 5. No noxious or offensive conditions shall be permitted upon any part of said property nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

Section 6. No trailer, camper-truck, tent, garage, barn, shack, or other outbuilding shall at any time be used as a residence temporarily or permanently on any part of said property.

Section 7. Parking of boats, trailers, motorcycles, motor vehicles not operated in regular family use, trucks, truck - campers and like equipment shall not be allowed on any part of said property nor on public ways adjacent thereto excepting only within the confines of an enclosed garage, and no portion of same may project beyond the enclosed area except under such circumstances, if any, as may be prescribed by written permit approved by the Architectural Committee. All other parking or equipment as above described, shall be prohibited except in such areas as may be prescribed by the Directors for such parking, for which the Directors may prescribe a parking fee and limit the use and duration thereof, which areas shall be approved in writing by the Architectural Committee. The authority of this Section shall not be construed as a requirement that the Directors provide such parking areas.

Section 8. All Owners are members of the Association and entitled to an equal share in the rights and interest and privileges and obligations as such, including the right to use all recreational and other Common Areas owned by such Association subject to the rules and regulations and restrictions applicable thereto.

Section 9. All Common Areas are to be maintained by the Association and no changes in landscaping, removal or trimming of trees, lawns or shrubs will be permitted without written authorization by the Architectural Committee.

Section 10. All walks and streets are for the use of Association members on an equal basis, subject to reasonable rules and regulations promulgated from time to time in writing by the Directors. It shall be the responsibility of each member to allow maximum ease

of pedestrian and vehicular ingress and egress over walks and streets and driveways by prohibiting automobile parking in front of garages or in the driveways or alleyways and allowing no obstruction or barrier on, across or adjacent to sidewalks which would interfere with any other members' use of the Common Area or access to his own Lot.

Section 11. Association Directors will have jurisdiction over activities permitted in the Common use Areas. All disputes, complaints or matters of change in existing or future use restriction will be submitted to the Association Directors for arbitration.

ARTICLE IX

EASEMENTS

All conveyances of land situated in the said property, made by the Declarant, and by all persons claiming by, through, or under conditions and covenants, whether or not the same be expressed in the instruments or conveyance, and each and every such instrument of conveyance shall likewise be deemed to grant and reserve, whether or not the same be declared therein, mutual and reciprocal easements over and across all of the Common Areas of said property for the purpose of traveling by foot or conveyance or resting or otherwise being thereon, and over, under and across all portions of said property (except those portions thereof actually intended to be occupied as living space in any building now or hereafter located upon said property and specifically including (without being limited

thereto) the interior of party walls, attic crawl spaces and the area below the living space in any living unit) for the purpose of building, constructing and maintaining underground or concealed electric and telephone lines, gas, water, sewer, storm drainage lines, radio and television antennae and cables, and other utilities and services now or thereafter commonly supplied by public utilities or municipal corporations and upon all Common Areas for constructing and maintaining thereon streets, driveways, community and recreational facilities, ornaments and statues, swimming pools, lawns, landscaping and planted areas thereon: all of said easements shall be for the benefit of all present and future owners of property subjected to the jurisdiction of the Association by recorded covenants and restrictions, recorded as hereinabove provided, and their tenants, contract purchasers and guests; said easements and rights of use, however, shall not be unrestricted but shall be subject to reasonable rules and regulations governing said right of use, as promulgated from time to time by the Directors of the Association in the interest of securing maximum safe usage of said easements without unduly infringing upon the privacy of the Owner or occupant of any part of said property. An easement over, upon and across all parts of said property is granted and reserved to the Association, its successors and assigns to the extent reasonably required to perform exterior maintenance and to the extent reasonably necessary to perform other maintenance reasonably necessary or advisable to protect or preserve the value of the said property and the living units thereon.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, or the owner of any recorded mortgage on any part of said property shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of this Declaration. 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.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds(2/3) of each class of members.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each. Except as provided in Section 10 and 11 of this Article, any of the covenants and restrictions of this Declaration.

except the easements herein granted, may be amended during the first twenty-five (25) year period by an instrument signed by members entitled to cast not less than ninety percent (90%) of the votes of each class of membership, and thereafter by an instrument signed by members entitled to cast not less than seventy-five percent (75%) of the total votes eligible to be cast. Easements herein granted and reserved shall not be amended except by instrument signed and acknowledged by seventy-five percent (75%) of the owners of the property concerned, and by the Architectural Committee. All such amendments must be recorded in the appropriate Deed Records of Lane County, Oregon, to be effective.

Section 5. No Right of Reversion. Nothing herein contained in this Declaration, or in any form of deed which may be used by Declarant, or its successors and assigns, in selling said property, or any part thereof, shall be deemed to vest or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions hereof.

Section 6. Rights of Mortgagees Relating to Maintenance. At any time that any part of the Common Area, or any other part of said property or any living unit or building or improvement located thereon is not properly maintained and kept in good order and repair, to the extent reasonably necessary to protect and preserve the appearance and value thereof and the appearance and value of the remainder of said properties, then the record owner of any mortgage or deed of trust upon any part of said property or living unit or building located thereon, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the mortgagor-owner of such property as a member of the Association to vote at all

regular and special meetings of the members of the Association for a period of one year following the date of such notice. During said period of time such mortgagees shall be given notice of all regular and special meetings of the Association, the owner-mortgagor shall receive such notice also and may attend such meetings as an observer. Said notice shall quote this paragraph and shall be sent by certified United States mail, return receipt requested, to the owner-mortgagor, a copy by regular mail to the Association, at the last known address of each.

Section 7. Insurance. The owner of every building located upon any part of said property shall at all times cause the same to be insured with broad form fire and extended coverage insurance for the full replacement value thereof, and shall upon request, cause the insurance company to furnish to the Association a certificate showing such insurance to be in effect. Structures with party walls, located on separate lots but having a common roof may be required to have one insurance policy which will cover the building with the cost of such insurance being pro-rated between the respective owners of the individual lots. If any owner fails to furnish the Association with such certificate of insurance, the Association may, but it shall not be so obligated, obtain such insurance with the proceeds payable to the owner, any mortgagees and to the Association as their respective interests may appear. The Association shall assess the cost of such insurance against the owner, and such assessment shall become a lien and collectable and enforceable in the same manner as all assessments provided for herein.

Section 8. Binding Effect. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable

7939599

by Declarant, the Association, the City and County and the Owner or Owners of any portion of said property and their heirs and assigns, and each of their legal representatives, and failure by Declarant or by the Association or by the City or County, or by any of the property owners or their legal representatives, heirs, successors or assigns, to enforce any of such conditions, restrictions or charges herein contained shall in no event be deemed a waiver of the right to do so.

Section 9. Right of Assignment. Any or all rights, powers and reservations of Declarant herein contained may be assigned to the Association or to any other corporation or association which is now organized or which may hereafter be organized, and which will assume the duties of Declarant hereunder pertaining to the particular rights, powers and reservations assigned; and upon any such corporation or association evidencing its intent in writing to accept such assignment and assume such duties, it shall to the extent of such assignment, have the same rights and powers to be subject to the same obligations and duties as are given to and assumed by Declarant herein. All rights of Declarant hereunder reserved or created shall be held and exercised by Krumdieck Brothers alone, so long as it owns any interest in any portion of said property.

Section 10. FHA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration if there is an FHA insured mortgage on any Lot in said properties: Annexation of additional properties, dedication of Common Areas, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 11. City Approval. The following actions shall at all time require the prior approval of the City: Annexation of additional

properties, dedication of Common Area, amendment of this Declaration of Covenants, Conditions and Restrictions, and dissolution of the Association, or merger or consolidation with any other entity.

Section 12. Building Code Compliance. No structures shall be built in the Common Area that would violate any provisions of the Uniform Building Code as to proximity of one structure to another. No Owner of any building or other person shall alter any interior party wall so as to diminish the fire resistance, sound transmission or structural capabilities of said party wall.

IN WITNESS WHEREOF, we, the Owners of all property within said Property, have hereunto caused these presents to be executed this 5th day of July, 1979.

KRUMDIECK BROTHERS

BY:

[Signature]
OSCAR KRUMDIECK

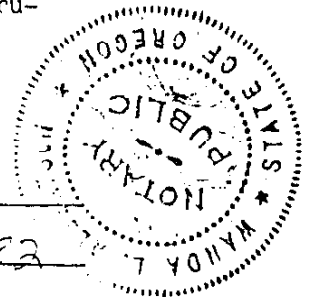
[Signature]
CARL KRUMDIECK

[Signature]
ELMER KRUMDIECK

STATE OF OREGON)
) ss.
COUNTY OF LANE)

On this 5 day of July, 1979, before me appeared Oscar Krumdieck, Carl Krumdieck and Elmer Krumdieck to me personally known, who being duly sworn, did say that they are the partners of Krumdieck Brothers Partnership, and that the said instrument was signed in behalf of said partnership by authority of its partners and they acknowledged said instrument to be the free act and deed of said partnership.

[Signature]
Notary Public for Oregon
My Commission expires: 1-12-82



7933559

State of Oregon,
County of Lane—ss.

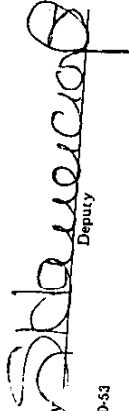
I, D.M. Penfold, Director of the Department of General Services, in and for the said County, do hereby certify that the within instrument was received for record at

6 JUL 79 9:20

Reel 1008 R

Lane County OFFICIAL Records.

D.M. Penfold, Director of the Department of General Services.

By  Deputy

C30-53