

Dues Policy of the Landmark at Eighth Homeowner's Association, Inc.

Late Fees – The Homeowner's Association has agreed that a late fee of \$5.00 will be added to the amount owing for any member whose dues are not received by the end of the month they are owing.

Collection of Past Due amounts:

30 Days Past Due - In addition to accruing a late fee a letter will be sent to any member noting the payment in arrears beyond 30 days from normal due date. The letter will state that unless the payment owing is paid prior to the next due date, interest shall begin accruing at an annualized rate of 12% on the amount owing from the original due date.

60 Days Past Due - In addition to accruing a late fee and interest, the member will be informed in a letter that unless the past due payment is paid in full prior to 90 days from the original due date, then a "letter of agreement" must be signed by the member making arrangements to bring the past due amount to a current status. This "letter of agreement" must be made to avoid further legal action on behalf of the Homeowners' Association.

NOTE: The Board should be kept informed and approve certain actions on any account after it gets to this point.

90 Days Past Due – In addition to accrual of late fees and interest, the member will be informed by letter that if the past due amount is not brought to a current status or a "letter of agreement" is not signed within 15 days, the Homeowner's Association will be within its right to take whatever legal action is necessary to collect the past due amount.

105 Days Past Due - A notice of "intent to lien" may be sent to the member notifying them that a lien can be filed within 15 days of the date of the letter.

120 Days Past Due - A lien can be filed and a notice sent to the member.

150 Days Past Due – Further collection could include seeking professional legal assistance to aid the Homeowner's Association in effecting collection of the amount in arrears. The legal assistance to be considered and approved at the discretion of the Board. Seeking professional legal help could be used at any point in the collection process if a member defaults on their homeowners' association agreement by other legal acts, such as bankruptcy.

RESOLUTION
Landmark at Eighth
Gresham, OR

Supplement to Covenants Conditions & Restrictions 2000-109999 recording 8/9/2000.

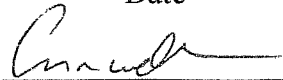
BE IT RESOLVED, under Section 11.6 Enforcement of the Declaration of Covenants, Conditions and Restrictions for Landmark at Eighth, the following Schedule of Fines for Violations is adopted effective March 21, 2005:

\$ 150.- per violation occurrence will be assessed against the property where the violation exists.
Any unpaid fines will become a lien against the property.

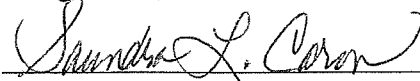
When a violation to the Covenants Conditions and Restrictions (CC&R's) occurs, the following actions shall be taken:

- 1.) Owner shall be notified in writing that a violation of the CC&R's or Rules & Regulations exists and shall be given a period of time to remedy the violation.
- 2.) Owner may request a hearing with the Board of Directors to discuss the violation.
- 3.) If, after a hearing, the Board of Directors determines that a noncompliance exists, Owner shall be notified that unless the violation is remedied by a certain date the Board may proceed with the following:
 - a. Impose a specific fine
 - b. Remove the violation
 - c. Impose a suit for an injunction

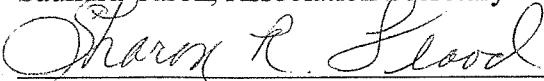
Adopted: March 15, 2005 By: LANDMARK AT EIGHTH BOARD OF DIRECTORS
Date



Craig Wells, Association President



Sandra Caron, Association Secretary




Sharon Flood, Association Treasurer

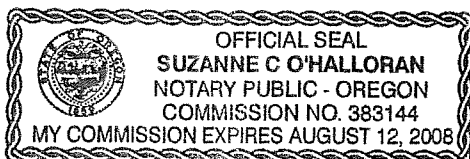
State of Oregon

SS

County of Multnomah

This instrument was acknowledged before me on April 27, 2005 by Sharon R. Flood
as Treasurer of Landmark at Eighth Homeowner's Association.


Notary Public for Oregon
My Commission Expires: 8-12-08



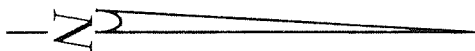
C C & R's

**PROPERTY DISCLOSURE/DISCLAIMER NOTICES
FROM REAL ESTATE BROKER AND AGENT**

We believe these are the correct conditions and restrictions. However, no examination of the title has been made and Fidelity National Title Company assumes no liability for any additions, deletions or corrections.

MARCH 2, 1999 SCALE 1"=30'
PLANNING FILE NO. SD-DR-TR 98-3624
SHEET 1 OF 2

DRAWN BY MPW C- WCDIII ACCOUNT # 929-01



WCDIII ACCOUNT # 871-01
AND PEAKSUB2

135
3
11

Recorded By TICOR TITLE

AFTER RECORDING, RETURN TO:

Peak Development, LLC
719 N.E. Roberts Ave.
Gresham, Or. 97030

Recorded in the County of Multnomah, Oregon

C. Swick, Deputy Clerk

Total : 149.00

2000-109999 08/09/2000 10:14:17am ATLJH

C73	27	REC	SUR	DOR	OLIS
		135.00	3.00	10.00	1.00

DECLARATION OF PROTECTIVE COVENANTS,

CONDITIONS, RESTRICTIONS AND EASEMENTS

FOR

LANDMARK AT EIGHTH

Declarant: Peak Development, LLC, an Oregon Corporation

M-100646

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**DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS FOR
LANDMARK AT EIGHTH**

THIS DECLARATION is made this _____ day of _____,
20____, by PEAK DEVELOPMENT, LLC, an Oregon Corporation ("Declarant").

RECITALS

A. Declarant has recorded the plat of "Landmark at Eighth" in the plat records of Multnomah County, Oregon.

B. Declarant desires to subject the property contained in such plat, to the conditions, restrictions and charges set forth in this Declaration for the benefit of such property and its present and subsequent owners, and to establish such property as the first phase of a row-house project to be known as "Landmark at Eighth".

DECLARATION

NOW, THEREFORE, Declarant hereby declares that the property described in the plat of Landmark at Eighth shall be held, sold and conveyed subject to the following easements, covenants, restrictions and charges, which shall run with such property and shall be binding upon all parties having or acquiring any right, title or interest in such property or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE 1.

DEFINITIONS

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

1.1 "Association" means the nonprofit corporation to be formed to serve as an Owners' association as provided in Article 6 of this Declaration, and its successors and assigns.

1.2 "Declarant" means Peak Development, LLC., an Oregon corporation, and its successors and assigns.

1.3 "Development" means the property described in Section 2.1 below.

1.4 "Lot" means a numerically designated and platted lot within the Property (including the Unit located on such Lot), with the exception of any tract or lot marked on the plat as being common, private drive or dedicated to the City of Gresham.

1.5 "Mortgage" means a mortgage or deed of trust; "mortgagee" means a mortgagee or a beneficiary of a deed of trust; "mortgagor" means a mortgagor or a grantor of a deed of trust.

1.6 "Owner" means the person or persons, including Declarant, owning any Lot in the Property, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a Lot. The rights, obligations and other status of being an Owner commence upon acquisition of the ownership of a Lot and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.

1.7 "Private Drive" means any tract designated as private common access easement in the Declaration on the Plat.

1.8 "The Property" or "Landmark at Eighth" means the Development.

1.9 "Sold" means that legal title has been conveyed or that a contract of sale has been executed under which the purchaser has obtained the right to possession.

1.10 "This Declaration" means all of the easements, covenants, restrictions and charges set forth in this instrument, together with any rules or regulations promulgated pursuant to this instrument, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

1.11 "Unit" means a building or a portion of a building located upon a Lot within the Property and designated for separate occupancy as a dwelling, together with any attached deck.

ARTICLE 2.

PROPERTY SUBJECT TO THESE COVENANTS

2.1 Development. Declarant hereby declares that all the real property described below is owned and shall be owned, conveyed, hypothecated, encumbered, used, occupied and improved subject to this Declaration:

All that certain property located in the City of Gresham, Multnomah County, Oregon contained in that certain plat entitled "Landmark At Eighth" filed in the Plat Records of Multnomah County, Oregon, on The 30th day of November, 20 1999 in Book 1245 of Plats at Page 7.

The Development contains 29 Lots and will contain not more than 29 Units including common area designated as Tract "A".

ARTICLE 3.

PROPERTY RIGHTS IN PRIVATE DRIVES

3.1 Designation of Private Drives in Development. The Following tracts as shown on the Plat of the Development shall be Private Drives for purposes of this Declaration: Tract A.

3.2 Owners' Easements of Access. Subject to the provisions of this Article, every Owner of a Lot adjoining a Private Drive, and his or her invitees, shall have an easement over and upon such Private Drive for ingress and egress to and from such Owner's Lot which easement shall be appurtenant to and shall pass with the title to the Lot.

3.3 Title to the Private Drives. Declarant shall convey title to the Private Drives to the Association no later than the turnover meeting referred to in Section 6.7 below.

3.4 Extent of Owners' Rights. The rights and easements in the Private Drives 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 Private Drives:

- (i) An easement on all Private Drives for underground installation and maintenance of power, gas, electric, sewer, 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 Private Drives.

Declarant or the Association may (and to the extent required by law, shall) grant or assign easements on all Private Drives to governmental entities or other utilities performing utility services and to communications companies, and may grant free access over the Private Drives to police, fire and other public officials and to employees of utility companies, trash removal and communication companies serving the Property.

(b) Use of the Private Drives. The Private Drives shall not be partitioned or otherwise divided into parcels for residential use. Except as otherwise

provided in this Declaration, no private use may be made of the Private Drives, and their use, operation and maintenance shall not be obstructed, damaged or unreasonably interfered with by any Owner. The Board of Directors of the Association shall have authority to abate any trespass or encroachment upon the Private Drives at any time, by any reasonable means and with or without having to bring legal proceedings.

(c) Alienation of the Private Drives. The Association shall not by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Private Drives owned directly or indirectly by the Association for the benefit of the Lots unless the holders of at least eighty percent (80%) of the Class A Association voting rights and the Class B member, if any, have given their prior written approval. Any partitioning or subdividing must meet applicable planning and zoning requirements and ORS Chapter 92 requirements. This provision shall not apply to the easements described in Section 3.4(a).

(d) Limitation on Use. Use of the Private Drives by the Owners shall be subject to the provisions of this Declaration and to the right of the Association to adopt, amend and to repeal rules and regulations in accordance with this Declaration.

3.5 Delegation of Use. Any Owner may delegate, in accordance with the bylaws of the Association, his or her right of use of the Private Drives to the members of his or her family, tenants, or contract purchasers who reside on the Lot, whose use of the Private Drives shall be subject to this Declaration and all rules and regulations adopted hereunder.

3.6 Easements Reserved by Declarant. So long as Declarant owns any Lot, Declarant reserves an easement over, under and across the Private Drives in order to carry out construction, sales and rental activities necessary or convenient for the development, sale or rental of Lots.

ARTICLE 4

PROPERTY RIGHTS IN LOTS

4.1 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 6 below and all other provisions of this Declaration for the mutual benefit of all Owners.

4.2 Right of Entry. The Association and any person authorized by the Association may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of performing the maintenance referred to in Article 7 below and determining whether or not the Lot is then in compliance with this Declaration. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of such Lot.

4.3 Party Walls. Each wall, which is built as a part of the original construction of the dwellings within the Property and placed upon the dividing line between Lots, shall constitute a "party wall", and the following provisions shall apply:

(a) General Rules of Law to Apply. The general rules of law of the State of Oregon regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply to all such party walls.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use. The word "use" as referred to in this section means ownership of a dwelling unit or other structure that incorporates such wall or any part thereof. Either Owner sharing a party wall may cause such repairs and maintenance and seek contribution of the portion of the cost attributable to other Owners using the party wall.

(c) Destruction by Fire or Other Casualty. If the party wall is destroyed or damaged, then any Owner who has used the wall may restore it and if the other Owner thereafter makes use of the wall, such owner shall contribute to the cost of such restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rules of law regarding liability for negligent or willful acts or omissions.

(d) Weatherproofing. Notwithstanding any other provision of this Section 4.3, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the cost of furnishing the necessary protection against such elements.

(e) Right to Contribute Runs with Land. The right of any Owner to contribution from any other Owner hereunder shall be appurtenant to the land; shall pass to such Owner's successors in title; and shall also be the personal obligation of the Owner owning a Lot at the time such costs are incurred.

(f) Arbitration. In the event of any disputes arising concerning a party wall, or under the provisions of this Section 4.3, the Board of Directors of the Association shall act as arbitrators and their decision shall be final.

4.4 City of Gresham Tax Abatement. The owner of a lot in the Property shall be eligible for a 10-year City of Gresham property tax exemption as defined in article 10.50 of the Gresham Revised Code. To qualify for the tax exemption the owner must comply with all of the ordinances of GRC 10.50. The exemption includes but is not limited to the following conditions: the City of Gresham Tax Abatement (GRC Article 10.50) for the Property is for the tax year ending November 2000 to the tax year ending November 2009. In order to qualify for the exemption, such units must be owner occupied during the term of the exemption. Should any unit become available during the term of the exemption, it must be sold to a household earning no more than 100% of the area median family income for a family of four, as established by the U.S. Department of Housing and Urban Development, in the year it was sold.

ARTICLE 5

USE RESTRICTIONS

5.1 Land Use and Building Type.

(a) Lots shall be used only for attached single-family residential purposes. Only one attached home per lot is permitted except as provided for in Section 5.1(b).

(b) No structures of a temporary or permanent character such as a trailer, recreational vehicle, tent, shack, garage, barn or other outbuildings shall be used on any Lot at any time as an additional or only residence.

5.2 Dwelling Size. The dwelling, exclusive of uncovered porches, garage and outbuildings, shall not be less than 1,000 square feet in gross floor area.

5.3 Exterior Appearance. Each Owner shall maintain the exterior appearance of such Owner's Unit facing a public right of way in a neat and attractive condition. If in the sole opinion of the Board of Directors of the Association, the Unit is in a state of disrepair or is otherwise unsightly; the Association may repair or maintain the Unit at the Owner's expense in accordance with the provisions of Section 9.2 below.

5.4 Business and Commercial Uses.

(a) No trade, craft, business, or similar activity of any kind shall be conducted on any 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.

(b) The provisions of this Declaration do not prohibit the right of any homebuilder to construct a Unit on any Lot or to store construction materials and equipment on such Lot in the normal course of construction.

(c) The provisions of this Declaration do not prohibit the right of any homebuilder to use any single-family residence as a model home for purpose of sales within the Property for a period of three years following completion of the Unit.

5.5 Parking.

(a) All units shall include a private, fully enclosed single car garage.

(b) Parking shall not be permitted within the Private Drives, which shall be kept free of parked vehicles for the purpose of fire access.

(c) Parking of boats, trailers, motor homes, recreational cars, motorcycles, trucks, truck-campers and like equipment shall be within the confines of an enclosed garage. No Owner shall permit any vehicle of any kind, including automobiles, boats, trailers, motor homes, motorcycles, trucks, campers, etc. to be abandoned or to

remain parked on the street for a period in excess of 96 hours. Trucks larger than one ton shall not be parked in the Property except for the purpose of delivery, loading or unloading.

5.6 Fences. Any fences constructed along any back Lot line or side Lot line shall not be more than five feet in height as measured from ground level and shall be constructed of cedar or non-punctured treated wood of a natural wood color finish. In addition, all fences must comply with City of Gresham standards. No fences are allowed between any Unit and a public street. Except for entry security gates to the private drives, no fences are allowed within six feet of a private drive.

5.7 Miscellaneous Outdoor Equipment

(a) No exterior antenna, except satellite dishes less than 4.5 feet in diameter shall be permitted. Air conditioners, heat pumps and other service equipment are permitted outdoors, but may only be located to the rear of a Unit.

(b) All exterior equipment such as, but not limited to air conditioning or heating systems shall be sheltered, insulated or otherwise baffled as necessary to conform to City noise standards.

(c) No outdoor overhead electric or telecommunications wire, service drop, pole, tower, or other structure supporting such an overhead wire shall be erected, placed or maintained. All connections to TV cable, telephone, and electric service shall be underground.

5.8 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number, not to exceed two (combined total number) of dogs, cats or other household pets may be kept provided that they are reasonably controlled so as not to be a nuisance. Wild animals, reptiles, or other animals, which might be a threat to neighboring children or domestic pets, are not permitted.

5.9 Signs. No signs shall be placed on any Lot, except that not more than two signs, each up to six square feet in size, may be temporarily displayed on any Lot by the Owner, Declarant or by a licensed real estate agent for the sale of homes within the Property. (This section shall not prohibit the temporary placement of "political" signs on any Lot).

5.10 Rubbish and Trash. No Lot, open space, Private Drive, street or other tract of land shall be used to dump trash, rubbish, yard debris, or dirt resulting from landscaping work.

5.11 Trash Storage. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal. Such containers shall be kept out of public view except on scheduled trash collection days.

5.12 Gates. Nothing in this Declaration precludes the Association from installing security gates operable for Owner vehicles at the ends of Private Drives if

adequate emergency and service access is provided to the appropriate agencies and service providers.

5.13 Offensive or Unlawful Activities. No noxious or offensive activities shall be carried on in any Unit, Lot or Private Drive nor shall anything be done or placed upon any Unit, Lot or Private Drive which interferes with or jeopardizes the enjoyment of other Units, or which is a source of annoyance to residents. Unit occupants shall exercise extreme care not to make noises, which may disturb other Unit occupants. No garage shall at any time be used as a residence either temporarily or permanently. No unlawful use shall be made of the Lot nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

5.14 Exterior Lighting or Noisemaking Devices. Except with the consent of the Association, and except for exterior lighting originally installed by the Declarant, no exterior lighting or noisemaking devices shall be installed or maintained on any lot.

5.15 Front Yards, Windows, Decks, Porches and Outside Walls. In order to preserve the attractive appearance of the Property, the Association may regulate the nature of items, which may be placed in or on front yards, windows, decks, entry porches, and the outside walls so as to be visible from public streets. Garments, rugs, laundry and other similar items may not be hung from windows, facades, porches, or decks. Front yards may not be used for the storage of excessive furniture, play equipment or other objects, which are, in the sole opinion of the Board of Directors of the Association, an eyesore.

5.16 Alterations. Owners are expressly prohibited from changing the exterior construction of a unit.

5.17 Insurance. Nothing shall be done or kept in any Lot, which will increase the cost of insurance on the Units. No Owner shall permit anything to be done or kept in his Unit or in the Private Drives which will result in cancellation of Insurance on any other Lot or any part of the Private Drives.

5.18 Garage Doors. All garage doors shall remain closed except to permit entrance and exit therefrom.

5.19 Landscape. All maintenance of front yard landscaping on all Lots and side yard landscaping on all corner Lots and entire greenspace will be performed by the Association, except that with the permission of the Board of Directors of the Association an Owner may install and maintain additional landscape in the front or corner side yard area of such Owner's Unit.

5.20 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 the Lots, Units and the Private Drives 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 Lots from the date of delivery. The method of adoption of such rules shall be as provided in the Bylaws of the Association.

ARTICLE 6

ASSOCIATION

Declarant shall organize an association of all the Owners within the Property. Such Association, its successors and assigns, shall be organized under the name "Landmark at Eighth Owners 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.

6.1 Organization. Declarant shall, before the first Lot is conveyed to an Owner, 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, an unincorporated association of the same name shall automatically succeed it. In that event, the assets of the Association shall be dedicated to a public body, or all of the property, powers and obligations of the incorporated association existing thereupon shall automatically vest in a successor unincorporated nonprofit association. Such vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated Association. To the greatest extent possible, the Articles of Incorporation and Bylaws of the Association shall govern any successor-unincorporated association as if they had been made to constitute the governing documents of the unincorporated association. The Association may not be dissolved unless such dissolution has been approved by the City of Gresham following a public hearing.

6.2 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 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.

6.3 Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners, including Declarant, to the extent Declarant owns any Lots.

(b) Class B. The Class B member shall be the Declarant, its successors and assigns. Class B membership shall terminate upon the happening of any of the following events, whichever occurs earlier:

(i) Two years after the date of recording of this Declaration

- (ii) December 31, 2005; or
- (iii) Such earlier date as Declarant may elect to terminate such membership.

Until the Class B Membership is terminated as provided above, all voting rights in the Association shall belong to the Class B member, except to the extent otherwise expressly provided in this Declaration. Upon termination of the Class B membership, all voting rights in the Association shall belong to the Class A members, including Declarant. On all matters upon which the Class A members are entitled to vote, each Class A member shall have one vote for each Lot owned by such Owner within the Property. 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.

6.4 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, regardless whether or not the Property is subject to such 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.

6.5 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 7 and other provisions of this Declaration. Notices of maintenance needs may be sent to the Declarant or Successor listed in 11.8.

- (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 5.20 of this Declaration.
- (d) Assessments. The Association shall adopt budgets and impose and collect assessments as provided in Article 8 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.
- (f) Employment of Agents, Advisers and Contractors. The Association, through its Board of Directors, may employ the services of any person or corporation as manager, 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 to, landscape architects, recreational experts, architects, planners, lawyers and accountants, and contract for or otherwise provide for all services necessary 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 Private Drives, subject to Section 3.4(c) above, and encumber the Private Drives 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 Private Drives, and shall accept any real or personal property, leasehold or other property interests within the Property conveyed to the Association by Declarant.
- (h) Transfer, Dedication and Encumbrance of Private Drives. Except as otherwise provided in Section 3.4(c) above, the Association may sell, transfer or encumber all or any portion of the Private Drives to a person, firm or entity, whether public or private, and dedicate or transfer all or any portion of the Private Drives 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 therefore to the users of such services without being required to render such services to those of its members who do not assent to such charges. 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.

(j) Implied Rights and Obligations. The Association may exercise any other right or privilege reasonably to be implied from the existence of any right or privilege expressly given to the Association under this Declaration or reasonably necessary to effectuate any such right or privilege.

6.6 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.

6.7 Interim Board; Turnover Meeting. Declarant shall have the right to appoint an interim board of one to three directors, who shall serve as the Board of directors of the Association until replaced by the Declarant, or their successors have been elected by the Owners at the turnover meeting described in this section. Declarant shall call a meeting of the Association for the purpose of turning over administrative responsibility for the Property to the Association no later than one-hundred-twenty (120) days after the termination of the Class B membership in accordance with Section 6.3(b) above. At the turnover meeting, the interim directors shall resign and their successors shall be elected by the Owners as provided in the Bylaws of the Association. If the Declarant fails to call the turnover meeting as required by this section, any Owner or mortgagee of a Lot may call the meeting by giving notice as provided in the Bylaws. Declarant shall convey title to the Private Drive and to any property designated on the Plat as "common" property to the Association not later than the turnover meeting.

ARTICLE 7

MAINTENANCE, SERVICES, CONDEMNATION, DAMAGE

7.1 Landscape Maintenance. The Association shall maintain the existing landscaping in the front yards of all Lots and the side yards of all corner Lots. These Lots are to have maintenance performed on the existing landscaping. Any changes to the landscaping of these Lots must be pre-approved by the Association. The cost of replacement, modifications and maintenance and or repair of existing landscaping are to be the Owners sole responsibility. The Association shall maintain, repair and or replace the original irrigation system throughout the Property as needed. The Association shall maintain, repair and or replace Landscaping to the Center courtyard island area as needed. The Association shall maintain, repair and or replace the fence along the West Property line of the property as well as the continuance of that fence on Lots B-9 and C-18. The cost of such maintenance, to the Association, shall be a common expense paid out of assessments described in Article 8. In the event, however, the need for such

maintenance or repair is caused by the willful or negligent act of omission of an Owner, his or her family, tenants, guests or invitees, and / or to the extent such maintenance or repair is not covered by the Association's insurance policy, the costs of such maintenance and repair may, in the discretion of the Board of Directors, be charged to the Owner as an Individual Assessment.

7.2 Maintenance of Private Drives. The Association shall perform all maintenance upon the Private Drives and the improvements located thereon.

7.3 Maintenance of Roofing. The Association shall establish a roofing material replacement fund. The Association shall not be responsible, and such fund shall not be used to repair any leaks on individual homes. Such responsibility shall remain with the Owner. The roofing material replacement fund shall be a budget line item in the annual assessments for each lot and shall be used only for the future replacement of roofing material on all homes or as the Board directs.

7.4 Maintenance of Exterior Painting. The Association shall establish an exterior painting replacement fund. The exterior painting replacement fund shall be a budget line item in the annual assessments for each lot and shall be used only for the future repainting of siding and trim on all homes or as the Board directs.

7.5 Access at Reasonable Hours. For the purpose solely of performing the maintenance and services provided for in this Article 7, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior of the dwelling thereof at reasonable hours.

7.6 Damage or Destruction by Casualty. If, due to act or neglect of and Owner or a member of his or her family or his or her household pet or of a guest or other unauthorized occupant or visitor of such Owner, damage shall be caused to the Private Drives or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such Owner shall pay for such damage and such maintenance, repairs or replacements as may be determined by the Association, to the extent not covered by the Association's insurance, or an Individual Assessment.

ARTICLE 8

COMMON PROFITS AND EXPENSES /ASSESSMENTS

8.1 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and occupants of Landmark at Eighth and for the improvement, operation and maintenance of the Private Drives and other areas to be maintained by the Association, and for the operations, activities and expenses of the Association.

8.2 Types of Assessments. The Association may levy Annual Assessments, Special Assessments, Emergency Assessments and Individual Assessments, all as more particularly described below.

8.3 Apportionment of Assessments. Common profits and common expenses of the Association including but not limited to, reserves for repairs, replacements, Annual Assessments, Special Assessments and Emergency Assessments, shall be allocated and assessed to each lot as provided herein. Except upon termination of the Association, or as otherwise provided herein, any common profits of the Association shall be used solely for the purpose of maintaining, repairing and replacing the common elements or Private Drives, or for other expenses or reserves of the Association. All lots shall pay an equal prorate share of the Annual Assessment, Special Assessment and Emergency Assessment commencing on the date the first lot is conveyed by Declarant to a third party. Declarant may defer accrued payment on Lots it owns until Declarant conveys the Lot to a third person.

8.4 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 over-assessment 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. Annual Assessments for such operating expenses and reserves ("Annual Assessments") shall then be apportioned among the Lots as provided in Section 8.3 above. The method of adoption of the budget and the manner of billing and collection of Assessments shall be as provided in the Bylaws.

8.5 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 of the budgeted gross expenses of the Association for the fiscal year may be levied only if approved by a majority of the voting rights voting on such matter, together with the written consent of the Class B member, if any. Special Assessments shall be apportioned as provided in Section 8.3 above and may be payable in lump sum or in installments, with or without interest or discount, as determined by the Board of Directors.

8.6 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, noted as to the reason therefore, 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 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 voting on such matter, together with the written consent of the Class B member, if any. Emergency Assessments shall be apportioned as set forth in Section 8.3 above and payable as determined by the Board of Directors.

8.7 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 6.5(i). Individual Assessments shall also include default assessments levied against any Lot to reimburse the Association for costs incurred in bringing such Lot 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.

8.8 Operations Fund. The Association shall keep all funds received by it as Assessments, other than reserves described in Section 8.10, 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 Private Drives and 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 7.
- (b) Payment of the cost of insurance as described in the Bylaws of the Association.
- (c) Payment of taxes assessed against the Private Drives 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.
- (e) Payment of the normal and reasonable operating costs and expenses for the activities and operations of the Association.
- (f) In the event any condemnation of a portion of the Private Drives should result in a surplus in the Operations Fund not needed for payment of the other items described in this section, such surplus shall be divided by the number of units within the Property and such amounts paid equally to the holder of any first mortgage or deed of trust on each Lot, or if non, to the Owner of the Lot.

8.10 Replacement / Reserve Fund.

- (a) The Declarant shall establish a reserve fund for replacement of those common elements and other 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. Assessments for the reserve fund begins accruing on all lots from the date the first lot assessed is conveyed by Declarant to any third party. The Declarant may defer payment of the accrued assessment on Lots that it owns until the Lot or Lots are conveyed to a third party, at which time the accrued assessment must be paid. The books and records of the Association shall reflect the amount owing from the Declarant for all reserve assessments. After the turnover meeting, the board of directors of the Association annually shall conduct a reserve study, or review and update an existing study, of the common elements and other items to be maintained by the Association to determine the reserve fund requirements. A reserve fund shall be established for those items of common elements and other items to be maintained by the Association all or part of which will normally require replacement in more than three (3) and less than thirty (30) years, including exterior painting, and for the maintenance, repair or replacement of other items as may be required under the Declaration or bylaws or that the board of directors, in its discretion, may deem appropriate. The reserve fund may not include items that could reasonably be funded from operating assessments. The reserve study shall include:

- (i) Identification of all items for which reserves are required to be established;
- (ii) The estimated remaining useful life of each item as of the date of the reserve study;
- (iii) The estimated cost of maintenance, repair or replacement of each item at the end of its useful life; and
- (iv) A 30-year plan with regular and adequate contributions, adjusted for inflation, interest earned, and taxes on reserves, to meet the maintenance, repair and replacement schedule.

(b) The reserve fund shall be funded by assessments against the individual Lots, for which the reserve fund is being established, which sums shall be included in the regular monthly assessment for the Lots. The reserve funds shall be used only for replacement, maintenance and repair of common elements and other items as stated above for which reserves have been established, and shall be kept separate from funds from other assessments or sources. After the turnover meeting as described in Section 6.7, 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 or Emergency Assessments. Nothing in this section shall prohibit prudent investment of the reserve fund. Following the second year after the turnover meeting, future assessments for the reserve fund established by the board of directors may be reduced, eliminated or increased by an affirmative vote of not less than 75 percent of all Owners. Assessments paid into reserve fund are the property of the Association and are not refundable to

sellers of Lots. Sellers of Lots, however, may treat their outstanding share of the reserve account as a separate item in any sales agreement.

8.11 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 9.6, 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 9 below.

ARTICLE 9

ENFORCEMENT

9.1 Use of Private Drive. 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 Private Drives, then the Association, acting through its Board of Directors, shall notify the Owner in writing that the violations or nuisances 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 for the period that the violations or nuisances 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 Operations 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 of access to and from his Unit.

9.2 Violation of General Protective Covenants. In the event any Owner constructs or permits to be constructed on his Lot or Unit 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 or Unit, then the Association acting through its Board of Directors shall notify the Owner 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 and Unit, the improvements thereon and his use thereof, into conformance with this Declaration. If the Owner is unable, unwilling or refuses to comply with the Associations' specific directives for remedy or abatement, or the Owner and the Association cannot agree to 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.

(b) Enter the offending Lot and remove the cause of such violation, or alter, repair or change the item which is in violation of this Declaration in such a manner as to make it conform therein, 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 or action against the Owner on behalf of the Association and other Owners to enforce this Declaration.

9.3 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 Owner's voting rights 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 94.704 to 94.716, as the same may be amended, shall apply to the Association's lien. The lien shall be foreclosed in accordance with the provisions regarding the foreclosure of lines 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.

9.4 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.

9.5 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.

9.6 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 (3) percentage points per annum, above the prevailing Portland, Oregon prime rate at the time, or such other rate as may be established by the Board of Directors, but not to exceed the lawful rate of interest 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 (30) percent of such assessment. In the event the Association shall file a notice of lien, the lien amount shall also include the recording fees associated with filing the notice and a fee for preparing the notice of lien established from time to time by resolution of the Board of Directors of the Association. In the event the Association shall bring any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the Owner-defendant shall pay to the Association all costs and expenses incurred by it in connection with such suit or action, including a foreclosure title report, and the prevailing party in such suit or action shall recover such amount as the court may determine to be reasonable as attorneys' fees at trial and upon any appeal or petition for review thereof.

9.7 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.

ARTICLE 10.

MORTGAGEES

10.1 Reimbursement of First Mortgagees. First mortgagees of units may, jointly or singly, pay taxes or other charges which are in default and which may have become a charge against any Private Drive and may pay overdue premiums on hazard

insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Private Drives or any Unit. First mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

10.2 Right of First Mortgagees Relating to Maintenance. At any time that the Private Drives are not maintained or repaired by the Association pursuant to Article 7 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 Unit 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 10.2 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 11.

MISCELLANEOUS PROVISIONS

11.1 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 owning not less than seventy-five percent (75%) of the Lots in the Property, together with the written consent of the Class B member if such membership has not been terminated as provided herein. Any such amendment or repeal shall become effective only upon recordation in the Deed Records of Multnomah 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, increase the number of Lots or Units or change the boundaries of any Lot or any uses to which any Lot or Unit is restricted unless the Owners of the affected Lots unanimously consent to the amendment. Such amendment or repeal shall not have the effect of denying any Owner access to his Lot unless such Owner and any mortgagee of such Lot have consented thereto. Any provisions must meet applicable planning and zoning requirements and ORS Chapter 92 requirements.

11.2 Regulator Amendments. Notwithstanding the provisions of Section 11.1 above, until termination of the Class B membership, Declarant shall have the right to amend this Declaration or the Bylaws of the Association in order to comply with the requirements of the Federal Housing Administration, the U. S. Department of Housing and Urban Development, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, and

department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States of the State of Oregon which insures, guarantees or provides financing for a planned community or lots in a planned community.

11.3 Duration. This Declaration shall run with the land and shall be and remain in full force and effect at all times with respect to all property included 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 Lots within the Property. Any such termination shall become effective only if a certificate of the president or secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the Deed Records of Multnomah County, Oregon, not less than six months prior to the intended termination date. Such termination shall not have the effect of denying any Owner access to his Lot unless such Owner and any mortgagee of such Lot have consented to such termination.

11.4 Joint Owners. In any case in which two or more persons share the ownership of any Lot, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility, and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however that in the event such persons disagree amount 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.

11.5 Lessees and Other Invitees. Lessees, invitees, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvement or enjoyment of his unit 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 Owner himself had committed the failure.

11.6 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, 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 or the right to do so thereafter.

11.7 Construction; Severability; Number; Caption. 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 this Declaration.

11.8 Easements for Water and Power for Common Area Irrigation.

- (a) The Owners of all Lots shall allow underground water piping and control wires to be placed by the Developer, his assigns or the landscape contractor from the water source to the controls and from the controls to the landscaped areas.
- (b) Developer, his assigns, the landscape contractor, the property manager, or any other party having interest in maintaining the irrigation system shall at all reasonable times have right of entry into all lots, thence to service, inspect program, operate or replace the irrigation system and piping from the water source to the controls and piping.
- (c) At the Developers discretion, a tap into Lot C-18's (607 NE 8th Street) water supply lines and an electrical outlet may be made and connected to an approved irrigation system provided by Developer which may be attached to the exterior to any home or structure on lot C-18.
- (d) The Owner of Lot C-18 shall make available a connection to its public water supply to provide irrigation water for the installed sprinkler system for all the landscaped areas in the Development. The Owner of Lot C-18 shall also make available power for the operation of such irrigation system.
- (e) The Owners of Lot C-18 shall, for providing such service of Easements and use of water and power for irrigation, pay no dues or assessments for "Water" or "Landscape Maintenance" as budgeted on the "Landmark @ 8th Homeowners Association Dues / Budget". If no such use is made, Owners shall pay their pro rata share of all assessments. Owners shall commence payment of their pro rata assessment from the time that the irrigation system is removed.

11.9 Notices and Other Documents. Any notice or other document permitted or required by this Declaration may be delivered either personally or by mail. Delivery by mail shall be deemed made twenty-four (24) hours after having been deposited in the United States mail, with postage prepaid, addressed as follows: If to Declarant, Peak Development, LLC, an Oregon corporation, 719 NE Roberts Avenue, Gresham OR 97030, and its successors and assigns _____

_____; if to an Owner, at the address given by the Owner at the time of his or her purchase of a Lot, or at the Unit; if to the Association, to the mailing address of the Association as filed with the Oregon Secretary of State. The address of a party may be changed by him at any time by notice in writing delivered to the Association as provided herein.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date set forth above.

PEAK DEVELOPMENT, LLC., an
Oregon Limited Liability Corporation

By _____

STATE OF Oregon,
County of Multnomah)SS.

The foregoing instrument was acknowledged before me this 17 day
of August, 20 00 by Michael Rossman, its
Member of Peak Development, LLC., an Oregon corporation, on behalf
of the corporation.

[Signature]
Notary Public for
My commission expires:

