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Richard Hobernicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.



Richard W. Hobernicht
Richard W. Hobernicht, Director of Assessment and Taxation, Ex-Officio County Clerk

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I, Jerry Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument in writing was received and recorded in the book of records of said county.
Jerry Hanson
Jerry R. Hanson, Director of Assessment and Taxation, Ex-Officio County Clerk



AFTER RECORDING RETURN TO:
Venture Properties, Inc.
4230 Galewood Street, Suite 100
Lake Oswego, OR 97123

APR 19 2005

**FIRST AMENDED AND RESTATED
DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR SUMMIT RIDGE**

Declarant: Venture Properties, Inc.

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**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR SUMMIT RIDGE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR Summit Ridge ("Declaration") is made by Venture Properties, Inc., an Oregon corporation ("Declarant").

RECITALS

Declarant is the owner of all the real property and improvements thereon located in the County of Washington, State of Oregon, described as follows (the "Property"):

Lots 1 through 119 and Tracts "A" through "M", as shown on the plat of Summit Ridge, recorded on December 23, 2004 in the plat records of Washington County, Oregon, as Document No. 2004146464 and the plat of Summit Ridge No. 2, recorded on March 8, 2005, in the plat records of Washington County, Oregon as Document No. 2005024456.

Declarant intends to develop Summit Ridge as a Class I planned community. To establish Summit Ridge as a planned community, Declarant desires to impose these mutually beneficial covenants, conditions, restrictions, easements, assessments and liens on the Property, under a comprehensive general plan of improvement and development for the benefit of all Lots and Common Area in Summit Ridge.

Declarant has deemed it desirable for the efficient preservation of the values and amenities in Summit Ridge to create a nonprofit corporation, to which will be delegated and assigned the powers and authority to own and maintain the Common Area, to administer the affairs of the Association, to administer and enforce the covenants, conditions, and restrictions of this Declaration, and to collect and disburse the assessments and charges hereinafter created.

Declarant intends to develop Summit Ridge in several phases. The initial development will be constructed in two phase and will have a total of 119 Lots however; Declarant has reserved the right to annex additional property ("Additional Property") in the future. Declarant may but shall have no obligation to annex all or any portion of the Additional Property to Summit Ridge. After annexation, the Additional Property annexed shall constitute a part of Summit Ridge and shall be subject to this Declaration. There is no limitation on the number of Lots and Tracts which may be annexed to Summit Ridge.

NOW THEREFORE, Declarant declares that the Property shall be held, transferred, sold, conveyed and occupied subject to the Oregon Planned Community Act as may be amended from time to time (ORS 94.550 to 94.783) and subject to the following covenants, conditions, restrictions, easements, charges and liens, which shall run with the land, which shall be binding

upon all parties having or acquiring any right, title or interest in the Property or any part thereof, and which shall inure to the benefit of the Association and of each Owner.

ARTICLE 1
DEFINITIONS

1.1 "Additional Property" shall mean and refer to any Lots and Tracts which may be subsequently annexed to Summit Ridge and subjected to this Declaration.

1.2 "Architectural Review Committee" or "ARC" shall refer to that committee constituted and acting pursuant to Article 6 of this Declaration.

1.3 "Articles" shall mean the Articles of Incorporation for the nonprofit corporation, Summit Ridge Homeowners' Association, as filed with the Oregon Secretary of State.

1.4 "Association" shall mean and refer to Summit Ridge Homeowners' Association, its successors and assigns.

1.5 "Board" or "Board of Directors" shall mean the Board of Directors of the Association.

1.6 "Bylaws" shall mean and refer to the Bylaws of the Association which shall be recorded in the Washington County, Oregon, deed records.

1.7 "Common Area" shall mean and refer to Tracts "A" through "M" shown on the recorded Plat of Summit Ridge and Summit Ridge No. 2 together with any Tracts subsequently annexed to Summit Ridge as shown on any recorded supplemental plat, including any improvements located thereon, which areas and improvements are intended to be devoted to the common use and enjoyment of the members and which land shall be conveyed to the Association. Tract "A" is a Water Quality Tract subject to a Storm Sewer, Drainage, and Detention Easement. Tract "B" is for the purpose of an entrance monument which shall be owned and maintained by the Association. Tract "C" shall be designated as open space, and shall be maintained by the Association in a matter consistent with that required by the City of Tigard. Tracts "D" and "G" are subject to Temporary Emergency Vehicle Turnaround Easements. Tracts "E" and "F" are private roads serving certain Lots, which private roads shall be owned and maintained at the expense of the Association. Tracts "E" and "F" are subject to a Public Utility Easement, Storm Sewer, and Sanitary Sewer Easement. Tract "H" is a park for use by the Owners and Occupants of Summit Ridge which shall be maintained by the Association. Tract "I" is for Common Open Space purposes. Tracts "J", "K", and "L" are subject to Temporary Emergency Vehicle Turnaround Easements. Tract "K" and Lots 96 and 102 are subject to a Public Pedestrian Easement to be maintained at the expense of the Association. Tract "M" is a private road serving lots 116 through 119 and shall be maintained at the expense of the Association. Tracts K and M and Lots 96 and 102 are subject to a Storm Drainage and Sanitary Sewer Easement to Clean Water Services. Tract "M" is subject to Wall Easements benefiting Lots 83-119.

1.8 "Commonly Maintained Property" shall mean any property owned by a person or entity other than the Association for which the Association has an obligation to maintain, repair and/or replace. Commonly Maintained Property shall include, but not limited to, entrance monuments located on Lots 41 and 42.

1.9 "Declaration" shall mean the covenants, conditions, restrictions, and all other provisions set forth in this Declaration.

1.10 "Declarant" shall mean and refer to Venture Properties, Inc., an Oregon corporation, and its successors or assigns, or any successor or assign to all or the remainder of its interest in the Property.

1.11 "General Plan of Development" shall mean Declarant's general plan of development of the Property, as approved by appropriate governmental agencies, as may be amended from time to time.

1.12 "Home" shall mean and refer to any portion of a structure situated on a Lot and designed and intended for use and occupancy as a residence by a single family or household.

1.13 "Lot" shall mean and refer to each and any of Lots 1 through 119 any Lots which may be subsequently annexed to Summit Ridge by any supplemental declaration and/or plat submitting Additional Property to the terms of this Declaration; provided, however, that "Lot" shall not include any Tract depicted on any plat.

1.14 "Members" shall mean and refer to the Owners of Lots in Summit Ridge.

1.15 "Mortgage" means a recorded first mortgage, first trust deed, a first contract of sale that that creates a first lien against a Lot, and "mortgagee" means the holder, beneficiary or lender of such mortgage, trust deed or contract of sale, but only when such holder, beneficiary or vendor notifies the Association in writing of the existence of such mortgage and gives the Association a current name and mailing address.

1.16 "Occupant" shall mean and refer to the occupant of a Home, whether such person is an Owner, a lessee or any other person authorized by the Owner to occupy the Home.

1.17 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or a purchaser in possession of a Lot under a land sale contract. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation.

1.18 "Plat" shall mean and refer to the Plat of Summit Ridge recorded in the Plat Records of Washington County, Oregon, as Document No. 2004146464 on December 23, 2004 and Summit Ridge No. 2, recorded on March 8, 2005, in the plat records of Washington County, Oregon as Document No. 2005024456 or any supplemental or amended plats annexing any additional Lots and Common Area Tracts to Summit Ridge.

1.19 "Private Road" shall mean certain roadways within the Plat of Summit Ridge known as Tracts "E" ,"F" and "M" and any Tracts designated as private roads on any supplemental plat which serve as a means of access to only certain Lots.

1.20 "Property" shall have the meaning attributed to such term in the Recitals of this Declaration.

1.21 "Reserve Account(s)" shall mean and refer to an account set up by the Board to hold funds for construction, improvements or maintenance of the Common Area and the Commonly Maintained Property.

1.22 "Rules and Regulations" shall mean and refer to the documents containing rules and regulations and policies adopted by the Board or the Neighborhood Design Review Committee, as may be from time to time amended.

1.23 "Summit Ridge" shall mean Lots 1 through 119 of the Property, Tracts "A" through "M" as designated on the Plat of Summit Ridge, together with such Additional Property as may be subsequently annexed and subjected to this Declaration.

1.24 "Tracts" shall mean and refer to Tracts "A" through "M" as shown on the Plat together with any Tracts located on the Additional Property as may be subsequently annexed and subjected to this Declaration.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION

2.1 Initial Development. The Property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Washington County, Oregon, and described in that certain Plat map entitled "Summit Ridge", filed in the plat records of Washington County, Oregon. The initial development consists of Lots 1 through 119, and Common Area Tracts "A" through "M". Declarant does not intend to build any improvements other than the improvements delineated on the Plats for Summit Ridge.

2.2 Annexation of Additional Property. Additional Property may be added by Declarant to Summit Ridge without the approval of any other Owner or the Association. Provided, however, such Additional Property must be residential Lots or Common Area Tracts, must abut to some portion of the Property or would abut except for intervening public streets or other publicly owned real property, and must be annexed by a supplemental declaration not later than twenty (20) years from the date the Declaration is recorded. The annexation of such real property shall be accomplished as follows:

2.2.1 Supplemental Declaration. The Owner or Owners of such real property shall record a supplemental declaration which shall be executed by or bear the approval of Declarant and shall among other things, describe the real property to be annexed, establish land classifications for the Additional Property, establish any additional limitations, uses, restrictions,

covenants and conditions which are intended to be applicable to such property, and declare that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to this Declaration.

2.2.2 Annexed Property a Part of Summit Ridge. The property included in any such annexation shall thereby become a part of Summit Ridge and the Association shall accept and exercise administration of any supplemental declaration with respect to such property.

2.2.3 Voting Rights of Annexed Lots. Upon annexation, additional Lots so annexed shall be entitled to voting rights as set forth in Section 7.3 below.

2.2.4 Annexed Lot Owners as Members. After complying with the procedures for annexation and upon conveyance of the first Lot in the annexed property to an Owner, Owners of Lots in the annexed property shall be Members, shall be subject to this Declaration and shall be entitled to the use and enjoyment of all Common Area in Summit Ridge in the manner and for the purpose for which such Common Areas are intended to be used and enjoyed. The Association shall reallocate the regular assessments to assess each Owner of a Lot in Summit Ridge an equal share of the total expenses of the Association. Provided, however, if there are Common Areas subsequently annexed to Summit Ridge which substantially benefit less than all the Lots, the cost to maintain, repair and replace the Common Area and the improvements thereon may be assessed equally against only the Lots receiving such benefit.

2.3 Deannexation and Amendment. Declarant reserves the right, at its sole option, to (i) amend this Declaration or any supplemental declaration by executing and recording an amendment (provided that the amendment is consistent with this Article), or (ii) remove from the effect of this Declaration any property described in the Declaration or supplemental declaration concerning any Additional Property by executing and recording a rescission of the annexation of specified Lots or Tracts to this Declaration as long as all of the following conditions are satisfied at the time of the execution and recordation of the amendment or rescission: (a) no Lot in the Additional Property has been conveyed to an Owner; and (b) assessments have not commenced for any Lot in the annexed property.

2.4 Amendment. After the conversion of Class B membership to Class A membership, this Article may not be amended without the consent of Declarant as long as the Declarant owns a Lot or has a right to annex Additional Property to Summit Ridge.

2.5 Annexation With Approval of Membership. In addition to the rights of Declarant pursuant to Section 2.2, the Association or Declarant may subject any real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of holders of at least seventy-five percent (75%) of the Class A voting power of the Association, and the written consent of the Class B Member, if any. Such annexation shall be accomplished by filing a supplemental declaration in the official records of Washington County, Oregon describing the property to be annexed and specifically subjecting it to the terms of this Declaration. Any such supplemental declaration shall be signed by the President and Secretary of the Association and by the owner of the annexed property. Any such annexation shall be

effective upon the filing for record of such supplemental declaration, unless otherwise provided therein.

ARTICLE 3

OWNERSHIP AND EASEMENTS

3.1 Non-Severability. The interest of each Owner in the use and benefit of the Common Area shall be appurtenant to the Lot owned by the Owner. No Lot shall be conveyed by the Owner separately from the interest in the Common Area. Any conveyance of any Lot shall automatically transfer the right to use the Common Area without the necessity of express reference in the instrument of conveyance. There shall be no judicial partition of the Common Area. Each Owner, whether by deed, gift, devise or operation of law, for such Owner's benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interests and causes of action for judicial partition of any interest in the Common Area and agrees that no action for judicial partition shall be instituted, prosecuted or reduced to judgment. Ownership interests in the Common Area and Lots are subject to the easements granted and reserved in this Declaration. Each of the easements granted or reserved herein shall be deemed to be established upon the recordation of this Declaration and shall thenceforth be deemed to be covenants running with the land for the use and benefit of the Owners and their Lots and shall be superior to all other encumbrances applied against or in favor of any portion of Summit Ridge.

3.2 Ownership of Lots. Title to each Lot in Summit Ridge shall be conveyed in fee to an Owner. If more than one person and/or entity owns an undivided interest in the same Lot, such persons and/or entities shall constitute one Owner.

3.3 Ownership of Common Area. Subject to subsection 3.5, title to any Common Area shall be conveyed to the Association not later than sixty (60) days after seventy-five percent (75%) of the total number of Lots which may be annexed and become subject to this Declaration have been conveyed to purchasers or ten (10) years from the date of this Declaration, whichever is earlier. Nothing herein shall prevent the Declarant from conveying the Common Area to Washington County, Clean Water Services or any governmental body as provided in Section 3.5 or to the Association at an earlier time.

3.4 Easements. Individual deeds to Lots may, but shall not be required to, set forth the easements specified in this Article.

3.4.1 Easements on Plat. The Common Area and Lots are subject to the easements and rights-of-way shown on the Plat and on any supplemental plat.

3.4.2 Easements for Common Area. Every Owner shall have a non-exclusive right and easement of use and enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot. Such easement is subject to ORS 94.665, as may be amended from time to time.

3.4.3 Easements Reserved by Declarant. So long as Declarant owns any Lot, Declarant reserves an easement over, under and across the Common Area in order to carry out sales activities necessary or convenient for the sale of Lots. In addition, Declarant hereby reserves to itself, its successors and assigns for the Owners of Lots in all future construction of Summit Ridge a perpetual easement and right-of-way for access over, upon and across the Common Area for construction, utilities, communication lines, drainage, and ingress and egress for the benefit of other property owned by Declarant and potential future phases whether or not the lots and tracts in such future phases are ever annexed and become subject to this Declaration. Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress to, from, over, in, upon, under and across the Common Area and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incident to the construction of the improvements on the Property and any Additional Property whether or not same is annexed to Summit Ridge in such a way as not to interfere unreasonably with the occupancy, use, enjoyment or access to an Owner's Lot by such Owner or such Owner's family, tenants, employees, guests or invitees.

3.4.4 Annexation of Additional Property. Upon the recordation of a supplemental declaration annexing any of the Lots, the Owners of Lots in the annexed Additional Property shall have the benefit and use of all the easements specified in this Article in the same manner and to the same degree as existing Lot Owners.

3.4.5 Additional Easements. Notwithstanding anything expressed or implied to the contrary, this Declaration shall be subject to all easements granted by Declarant for the installation and maintenance of utilities and drainage facilities necessary for the development of Summit Ridge. No structure, planting or other material that may damage or interfere with the installation or maintenance of utilities, that may change the direction of flow of drainage channels in the easements, or that may obstruct or retard the flow of water through drainage channels in the easement areas shall be placed or permitted to remain within any easement area.

3.4.6 Association's Easements. Declarant grants to the Association and its duly authorized agents and representatives such easements over the Lots and Common Area as are necessary to perform the duties and obligations of the Association, as set forth in this Declaration, the Bylaws, and the Articles, as the same may be amended.

3.4.7 Easement to Governmental Entities. Declarant grants a non-exclusive easement over the Common Area to all governmental and quasi-government entities, agencies, utilities, and their agents for the purposes of performing their duties as utility and service providers.

3.4.8 Perimeter Easement Benefiting Association. Declarant grants to the Association and its duly authorized agents and representatives an easement over that perimeter portion of each Lot that is included within the building setbacks set by applicable ordinances for the purposes of installation, maintenance, repair, and replacement of utilities, communication lines, and drainage. The Board may grant or convey the easements reserved herein to any governmental body or agency and/or any public or private utility company or provider, upon a two-thirds (2/3) vote of the Board members at a duly called and held Board meeting.

3.4.9 Mutual Wall Maintenance and Repair Easement. All Lots and Tracts are subject to mutual Wall Maintenance and Repair Easements where retaining walls are located on a Lot(s) or Tract(s) or are within five (5) feet of a common boundary line between adjoining Lots or Tracts. The Owners of the Lots or Tracts on which the walls are located shall be responsible for any required maintenance and repair of such walls and the Owners of the Lots and Tracts shall have the right to repair the wall along their common lot line. The repair area shall be five (5) feet on each side of the lot line between the Lots and Tracts.

3.5 Declarant's Right to Dedicate Common Area and Grant Easements; Board's Authority After Title Transferred to Association. Declarant reserves the right and power to dedicate and/or convey any portion or all of the Common Area Tracts to any governmental body or agency. Declarant further reserves the right and power to grant an easement over such Tracts to any governmental body or agency or any public or private utility company or provider. Declarant's rights and power under this Section 3.5 shall expire upon as to each Tract when it is conveyed to the Association. Thereafter, the Board shall have the same powers reserved to Declarant and may exercise such power upon a two-thirds (2/3) or greater vote of the Board members at any duly called and held Board meeting. The provisions of this Section 3.5 shall control over any provisions to the contrary contained in any other Section of the Declaration; provided, however, none of the rights under this Section 3.5 shall deprive the Owners of the Lots from using such Tracts for access to their Lots.

ARTICLE 4
LOTS AND HOMES

4.1 Residential Use. Lots shall only be used for residential purposes. No business venture or commercial activity shall be conducted on a Lot or in or about any property in Summit Ridge except for one-room offices that are not designated by exterior sign(s) and which does not become an undo burden on or nuisance to residents of Summit Ridge. Only normal residential activities shall be observable outside of the residence and that the activities shall not be in violation of applicable local government ordinances. Nothing in this Section 4.1 shall be deemed to prohibit (a) activities relating to the sale of residences, (b) the right of Declarant or any contractor or homebuilder to construct residences on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, and to use any residence as a sales office or model home for purposes of sales in Summit Ridge, and (c) the right of the Owner of a Lot to maintain such Owner's personal business or professional library, keep such Owner's personal business or professional records or accounts, handle such Owner's personal business or professional telephone calls or confer with business or professional associates, clients or customers in such Owner's residence in conformance with the ordinances of the City of Tigard.

4.2 Landscaping. Landscaping for all portions of the Lot shall be completed within twelve (12) months after final building inspection by the local government jurisdiction. Owners shall keep all shrubs, trees, grass and plantings of every kind on his/her Lot or within the street right-of-way adjacent thereto neatly trimmed, irrigated, properly cultivated and free of trash, weeds, and other unsightly material. Street trees in front of an Owner's Home shall be irrigated

and maintained by such Owner as required by Washington County or any other governing jurisdiction. Owners shall not remove or move street trees.

4.3 Maintenance of Lots and Homes. Each Owner shall maintain such Owner's Lot and all improvements thereon in a clean and attractive condition, in good repair and in such fashion as not to create a fire or environmental hazard. Such maintenance shall include, without limitation, painting, repair, replacement, and maintenance of roofs, siding, windows, doors, garage doors, gutters, walks, patios, chimneys, street trees, and other exterior improvements and glass surfaces. All repainting or restaining and exterior remodeling shall be subject to prior review and approval by the COMMITTEE. Each Owner shall repair damage caused to such Owner's Lot or improvements located thereon by fire, flood, storm, earthquake, riot, vandalism, or other causes within a reasonable period.

4.4 Rental of Homes. An Owner may rent or lease such Owner's Home or a portion thereof, provided that the following conditions are met:

4.4.1 Written Rental Agreements Required. The Owner and the tenant enter into a written rental or lease agreement specifying that (i) the tenant shall be subject to all provisions of the Declaration, Bylaws and Rules and Regulations, and (ii) a failure to comply with any provision of the Declaration, Bylaws and Rules and Regulations shall constitute a default under the rental or lease agreement;

4.4.2 Minimum Rental Period. The period of the rental or lease is not less than thirty (30) days;

4.4.3 Tenant Must be Given Documents. The Owner gives each tenant a copy of the Declaration, Bylaws and Rules and Regulations.

4.5 Animals. No animals, livestock or poultry of any kind, other than a reasonable number of household pets that are not kept, bred or raised for commercial purposes and that are reasonably controlled so as not to be a nuisance, shall be raised, bred, kept or permitted within any Lot. Any Lot owner who maintains any pet upon any portion of Summit Ridge shall be deemed to have agreed to indemnify and hold the Association, each of its members and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet. Such owner shall further abide by all governmental sanitary laws and regulations, leash and other local and state laws relating to pets.

4.6 Nuisance. No noxious, harmful or offensive activities shall be carried on upon any Lot or Common Area, nor shall anything be done or placed on any Lot or Common Area that interferes with or jeopardizes the enjoyment of, or that is a source of annoyance to, the Owner or other Occupants.

4.7 Parking. Parking of boats, trailer RVs and like equipment shall not be allowed on public rights-of-way or in a driveway for more than twenty-four (24) hours and then for the sole purpose of loading and unloading only. No commercial vehicle with a gross vehicle weight of more than 8,000 pounds, trailer, travel trailer or motor coach may be parked over night on any

street within Summit Ridge and/or in violation of the City of Tigard. Boats, trailers, motor coaches, mobile homes, campers, and other recreational vehicles or equipment, regardless of weight, shall not be parked on any part of the Common Area. Permanent storage of the above listed vehicles shall be secured offsite by Owner. Any offsite storage fees shall be at the owner's expense.

4.8 Vehicles in Disrepair. No Owner shall permit any vehicle that is in a state of disrepair or that is not currently licensed to be abandoned or to remain parked upon the Common Area or on any street on or adjacent to the Property at any time and may not permit them on a Lot for a period in excess of forty-eight (48) hours.

4.9 Signs. No signs shall be erected or maintained on any Lot except that not more than one (1) "For Sale" or "For Rent" sign placed by the Owner or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any Lot. However, Declarant and or its agents or assigns may erect and maintain signs of any size at model home(s) or other area designated by Declarant. The restrictions contained in this Section 4.9 shall not prohibit the temporary placement of "political" signs on any Lot by the Owner or Occupant. Provided, however, political signs shall be removed within three (3) days after the election day pertaining to the subject of the sign.

4.10 Rubbish and Trash. No Lot or part of the Common Area shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate containers for proper disposal and out of public view. Declarant may use containers for recycling or construction debris during the build-out of Summit Ridge.

4.11 Fences and Hedges. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three (3) and ten (10) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. Any fencing installed by Lot Owners shall be six (6) foot high cedar "good neighbor fencing or other fencing approved by Declarant in writing prior to installation. No chain link or cyclone fencing is allowed. Any fencing installed by a Lot Owner shall be in accordance with all City of Tigard ordinances. Lot owner shall maintain all fencing in good condition.

4.12 Service Facilities. Service facilities (garbage containers, fuel tanks, clotheslines, etc.) shall be screened such that such facilities are not visible at any time from the street. All telephone, electrical, cable television and other utility installations shall be placed underground in conformance with applicable law.

4.13 Antennas and Satellite Dishes. Except as otherwise provided by law or this section, no exterior antennas, satellite dishes, microwave, aerial, tower or other devices for the

transmission or reception of television, radio or other forms of sound or electromagnetic radiation shall be erected, constructed or placed on any Lot except for "mini" satellite dishes, which do not exceed two (2) feet in diameter. Owners shall not place such antennas, satellite dishes or other transmission devices in the front yard, on the front porch or on the front of the house if signals of acceptable quality can be received by placing such device in an alternative location.

4.14 Grades, Slopes and Drainage. Declarant has developed a storm drainage system ("Community Erosion Control Plan"), which addresses water run-off for the entire property. This means that unfiltered surface water and sediment can traverse other Lots before reaching a storm water facility. Silt fencing has been installed in conjunction with the final site grading, in areas designated on the construction documents that meets the local storm water agency's guidelines for surface erosion control. Usually, the normal location for silt fencing is on or adjacent to the property line to protect rear and side sloping areas and adjacent to the curb to protect front sloping areas. It should be noted that the purpose of silt fencing is to control erosion only, and that storm water and some sediment can be expected to travel downhill from higher elevation Lots through lower elevation Lots to its final destination in a storm water facility. No structure, planting or other material shall be placed or permitted to remain or other activities undertaken which may damage or interfere with the grading plan developed by the Declarant. There shall be no interference with the established drainage patterns or systems over or through any Lot within Summit Ridge so as to affect any other Lot or Common Area or any real property outside Summit Ridge unless adequate alternative provision is made for proper drainage and is approved by the Declarant. The term "established drainage" shall mean the drainage swales, conduits, inlets and outlets designed and constructed for Summit Ridge. Once the Declarant has conveyed title to any subsequent purchaser, either to an Owner or other homebuilder, the established sloping areas of each Lot and all improvements on each Lot shall be maintained continuously by the Owner of the Lots to preserve Declarant's designed drainage and grading plan, except for those improvements for which a public authority or utility company is responsible. Declarant reserves the right to modify the Community Erosion Control Plan during the development of the property and construction of homes in the subdivision.

4.15 Tree Cutting Restrictions. In no event shall any existing trees be removed without the written authority of the City of Tigard. If the Owner has a certified arborist declare that the tree is diseased or otherwise a hazard, then the Owner may petition the City of Tigard, and the City may or may not require that replacement plantings are provided. If one of the named trees is removed without written authority of the City of Tigard, Owner shall be required to provide replacement consistent with the tree ordinance of the City of Tigard and Owner shall bear all costs, including reasonable attorney fees, of compliance.

4.16 Damage or Destruction to Home and/or Lot. If all or any portion of a Lot or Home is damaged by fire or other casualty, the Owner shall either (i) restore the damaged improvements or (ii) remove all damaged improvements, including foundations, and leave the Lot in a clean and safe condition. Any restoration proceeding under (i) above must be performed so that the improvements are in substantially the same condition in which they existed prior to the damage, unless the provisions of Article 6 are complied with by the Owner. The Owner must

commence such work within sixty (60) days after the damage occurs and must complete the work within six (6) months thereafter.

4.17 Right of Maintenance and Entry by Association. If an Owner fails to perform maintenance and/or repair that such Owner is obligated to perform pursuant to this Declaration, and if the Board determines, after notice, that such maintenance and/or repair is necessary to preserve the attractiveness, quality, nature and/or value of Summit Ridge, the Board may cause such maintenance and/or repair to be performed and may enter any such Lot whenever entry is necessary in connection with the performance thereof. An Owner may request, and the Board shall conduct, a hearing on the matter. The Owner's request shall be in writing delivered within five (5) days after receipt of the notice, and the hearing shall be conducted within not less than five (5) days nor more than twenty (20) days after the request for a hearing is received. Entry shall be made with as little inconvenience to an Owner as practicable and only after advance written notice of not less than forty-eight (48) hours, except in emergency situations. The costs of such maintenance and/or repair shall be chargeable to the Owner of the Lot as a Reimbursement Assessment, which may be collected and enforced as any other assessments authorized hereunder.

4.18 Association Rules and Regulations. The Board from time to time may adopt, modify or revoke such Rules and Regulations governing the conduct of persons and the operation and use of Lots and the Common Area as it may deem necessary or appropriate to assure the peaceful and orderly use and enjoyment of the Property and the administration and operation of the Association. A copy of the Rules and Regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Board promptly to each Owner and shall be binding upon all Owners and occupants of all Lots upon the date of delivery or actual notice thereof. The method of adoption of such Rules and Regulations shall be provided in the Bylaws of the Association. Subject to approval or consent by the Board, the COMMITTEE may adopt rules and regulations pertinent to its functions.

4.19 Ordinances and Regulations. The standards and restrictions set forth in this Article 4 shall be the minimum required. To the extent that local governmental ordinances and regulations are more restrictive or provide for a higher or different standard, such local governmental ordinances and regulations shall prevail.

4.20 Temporary Structures. No structure of a temporary character or any trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot as a residence, either temporarily or permanently.

4.21 Rock Walls. Engineered boulder rock walls or keystone walls may have been installed on, behind or between Lots during the development of Summit Ridge. If such walls were installed, Owners shall not add additionally rock to or alter these existing walls without the prior written approval of Declarant prior to Turnover and the Association after Turnover and the applicable governing jurisdiction. Maintenance or repair of the Walls shall be the responsibility of the Owners of the Lot(s) where the Walls are located. Owners of Lots 34, 35, 39, 40, and 83 shall also be responsible for the maintenance or repair of Walls located in open space tracts abutting their Lot(s). No structure or excavations may be located within that area of the Lot

which is a distance equal to 150-percent of the retaining wall height ("Distance"), unless geotechnical engineering review and approval has been obtained reducing the Distance.

4.22 Declarant Exemptions. The Declarant shall be exempt from the application of Section 4.9.

ARTICLE 5 COMMON AREA

5.1 Use of Common Areas. Use of the Common Area is subject to the provisions of the Declaration, Bylaws, Articles and the Rules and Regulations adopted by the Board. There shall be no obstruction of any part of the Common Area. Nothing shall be stored or kept in the Common Area without the prior written consent of the Board. No alterations or additions to the Common Area shall be permitted without the prior written consent of the Board.

There shall be no parking, loading, unloading or "standing" of any kind or of any type of vehicle on the Common Area for any length of time.

5.2 Maintenance of Common Area. The Association shall be responsible for maintenance, repair, replacement, and upkeep of the Common Area at the equal expense of the Owners of the Lots, except where such maintenance is provided by the City of Tigard, Washington County, a government agency or utility company. The Association shall keep the Common Area in good condition and repair, provide for all necessary services and cause all acts to be done which may be necessary or proper to assure the maintenance of the Common Area.

5.3 Alterations to Common Area. Only the Association shall construct, reconstruct, or alter any improvement located on the Common Area. A proposal for any construction of or alteration, maintenance or repair to any such improvement may be made at any Board meeting. A proposal may be adopted by the Board, subject to the limitations contained in the Bylaws or this Declaration.

5.4 Funding. Expenditures for alterations, maintenance or repairs to an existing improvement for which a reserve has been collected shall be made from the Reserve Account.

5.5 Landscaping. All landscaping on any Lot or on the Common Area shall be maintained and cared for in a manner that is consistent with Declarant original approval of such landscaping. Weeds and diseased or dead lawn, tree, ground cover or shrubs shall be removed and replaced. Lawns shall be neatly mowed and trees and shrubs shall be neatly trimmed

5.6 Condemnation of Common Area. If all or any portion of the Common Area is taken for any public or quasi-public use under any statute, by right of eminent domain or by purchase in lieu of eminent domain, the entire award shall be received by and expended by the Board in a manner that, in the Board's discretion, is in the best interest of the Association and the Owners. The Association shall represent the interest of all Owners in any negotiations, suit, action or settlement in connection with such matters.

5.7 Damage or Destruction of Common Area. If all or any portion of the Common Area is damaged or destroyed by an Owner or any of Owner's guests, Occupants, tenants, licensees, agents or members of Owner's family in a manner that would subject such Owner to liability for such damage under Oregon law, such Owner hereby authorizes the Association to repair such damage. The reasonable costs incurred in connection of such repairs shall become a special assessment upon the Lot and against the Owner who caused or is responsible for such damage.

5.8 Power of Association to Sell, Dedicate or Transfer Common Area. As provided in ORS 94.665, the Association may sell, dedicate, transfer, grant a security interest in, or grant an easement for installation and maintenance of utilities or for similar purposes with respect to, any portion of the Common Area. Except for grants of easements to any governmental body or agency or granted for utility-related purposes, no such sale, dedication, transfer, or grant of a security interest shall be effective unless approved by eighty percent (80%) of the votes of both Class A and Class B members. Provided further, if there is only one class of votes, such sale, dedication, transfer, or grant of a security interest (other than a grant of an easement for utility-related purposes) must be approved by eighty percent (80%) of the votes held by Owners other than Declarant.

5.9 Public Use of Lands. ORS 105.672 through 105.700 exculpate owners of lands who allow the general public upon their lands for purposes of recreation, and the liability of the Declarant and the Association and its members shall be limited as provided thereby.

ARTICLE 6
NEIGHBORHOOD DESIGN REVIEW COMMITTEE

6.1 Neighborhood Design Review Committee ("Committee"). The Committee, which shall be a "Neighborhood Design Review Committee", initially shall be comprised of a representative of Declarant and/or such other person or persons appointed from time to time by Declarant, and such persons shall remain in office until Declarant relinquishes control of the Committee which shall occur on the earlier of (i) the date on which Declarant has conveyed all of the Lots to Owner; or (ii) resignation of the representative of Declarant or Declarant's appointee(s) and appointed successors. At three-year intervals commencing upon appointment of Owner(s) other than Declarant to the Committee, the then members of the Committee shall circulate to all Owner written notice requesting appointment of members to the Committee, and the Committee shall be comprised of one or more of the Owner appointed by the majority of the Owner responding to such notice. After relinquishment of Declarant's control, the Committee shall be comprised of one or more Owners appointed by the majority of Owner responding to such notice. Declarant shall have no responsibility of liability for maintaining the active status of the committee. In the event of the death or resignation of any member of the Committee prior to Declarant's relinquishment of control of the Committee, Declarant shall have the right to appoint such member's successor. In the event of death or resignation of any member of the Committee after Declarant's relinquishment of control of the Committee, a new Committee member may be appointed by the majority of Owner. The term

of office of Committee members shall run no more than 3 years, but may be repeated indefinitely if an incumbent member is appointed as provided in this Section.

6.2 Committee Design Review. No improvement shall be commenced on any Lot or any modification to the exterior of any existing improvement until the design plans (including exterior elevations, color and/or materials, location on the Lot and total square footage) of the proposed improvement have been submitted to and approved in writing by the Committee. Improvements shall be consistent with the Construction Requirements provided in Section 2 and any other design guidelines which may be established by the Committee and as may be amended from time to time. An application, incorporating the above requirements, must be submitted to the Committee for approval of any such improvement. The Committee may charge a reasonable fee to cover the cost of processing an application for its approval.

6.3 Committee Decision. The Committee shall render a written decision on an application within 15 working days after it has received a completed written application. The majority of the Committee shall have the power to act on behalf of the Committee. If the Committee fails to render an approval or denial of such complete application within 30 working days of submittal, such application shall automatically be deemed approved.

6.4 Committee Discretion. The Committee may, at its sole discretion withhold consent to any proposed Improvement if the Committee finds the proposed Improvement would be inappropriate for a particular Lot or incompatible with the design standards the Committee intends for Summit Ridge.

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

6.6 Appeal. After Declarant has relinquished control of the Committee, any Owner adversely affected by an action of the Committee may appeal such action to the Committee. Appeals shall be made in writing within 10 days after the Committee's decision and shall contain specific objections or mitigating circumstances justifying an appeal. A final, conclusive decision shall be made by the Committee within 15 working days after receipt of such written appeal.

6.7 Declarant and Successor Exempt From Committee. The Declarant or a successor to all of the unsold Lots shall be exempt from the requirement to submit and have plans approved by the Committee.

6.8 Liability. Neither the Committee nor any member shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any action or failure to act by the Committee, or any member, provided that the member has acted in good faith in accordance with the actual knowledge possessed by them.

ARTICLE 7
MEMBERSHIP IN THE ASSOCIATION; MANAGEMENT

7.1 Members. Each Owner shall be a member of the Association. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of any Lot. Transfer of ownership of a Lot shall transfer automatically membership in the Association. Without any other act or acknowledgment, Occupants and Owners shall be governed and controlled by this Declaration, the Articles, Bylaws, and the Rules and Regulations of the Association and any amendments thereof.

7.2 Proxy. Each Owner may cast such Owner's vote in person, by written ballot or pursuant to a proxy executed by such Owner. An Owner may not revoke a proxy given pursuant to this Section 7.2 except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy shall not be valid if it is undated or purports to be revocable without notice. A proxy shall terminate one (1) year after its date, unless the proxy specifies a shorter term.

7.3 Voting Rights. The Association shall have two (2) classes of voting members:

7.3.1 Class A. Class A members shall be all Owners of Lots other than Declarant, and each Class A member shall be entitled to one (1) vote for each Lot owned with respect to all matters upon which Owners are entitled to vote.

7.3.2 Class B. The Class B member shall be Declarant, its successors and assigns. The Class B member shall have three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the earlier of the following dates (the "Termination Date"):

- (a) Twenty (20) years after the date the Declaration is recorded; or
- (b) The date on which Declarant elects in writing to terminate Class B membership.

After the Termination Date, each Owner, including Declarant, shall be entitled to one (1) vote for each Lot owned with respect to all matters upon which Owners are entitled to vote, and the total number of votes shall be equal to the total number of Lots subject to this Declaration, initially or through annexation.

When more than one (1) person or entity owns a Lot, the vote for such Lot may be cast as they shall determine, but in no event shall fractional voting be allowed. Fractional or split votes shall be disregarded, except for purposes of determining a quorum.

7.4 Procedure. All meetings of the Association, the Board, the COMMITTEE, and Association committees shall be conducted with such rules of order as may from time to time be adopted by the Board. Notwithstanding which rule of order is adopted, the President shall be



entitled to vote on all matters, not merely to break a tie vote. A tie vote does not constitute a majority or approval of any motion or resolution.

7.5 Professional Management. The Board shall employ a professional manager to manage the affairs of the Association. Without the prior approval of holders of first Mortgages that represent at least fifty-one percent (51%) of the votes of mortgaged Lots, the Association may not terminate professional management and assume self-management. In addition, such decision to establish self-management shall require prior approval of the Owners of Lots to which sixty-seven percent (67%) of the votes in the Association are allocated. Any agreement for professional management shall provide that the management contract may be terminated for cause on thirty (30) days' written notice.

ARTICLE 8
DECLARANT CONTROL

8.1 Interim Board and Officers. Declarant hereby reserves administrative control of the Association. Declarant, in its sole discretion, shall have the right to appoint and remove members of an interim board (the "Interim Board"), which shall manage the affairs of the Association and be invested with all powers and rights of the Board until the Turnover Meeting (as hereinafter defined). The Interim Board shall consist of from one (1) to three (3) members. Notwithstanding the provision of this Section 8.1, at the Turnover Meeting, at least one (1) Director shall be elected by Owners other than Declarant, even if Declarant otherwise has voting power to elect all three (3) Directors.

8.2 Turnover Meeting. Declarant shall call a meeting for the purposes of turning over administrative control of the Association from Declarant to the Class A members upon the earlier of the following dates:

8.2.1 Twenty (20) years after the date this Declaration is recorded; or

8.2.2 The date on which Declarant has elected in writing to terminate Class B membership.

Declarant shall give notice of the Turnover Meeting to each Owner as provided in the Bylaws. If Declarant does not call the Turnover Meeting required under this Section, the transitional advisory committee or any Owner may do so.

ARTICLE 9
DECLARANT'S SPECIAL RIGHTS

9.1 General. Declarant is undertaking the work of developing Lots and other improvements within Summit Ridge. The completion of the development work and the marketing and sale of the Lots is essential to the establishment and welfare of the Property as a residential community. Until the Homes on all Lots on the Property have been constructed, fully

completed and sold, with respect to the Common Area and each Lot on the Property, Declarant shall have the special rights set forth in this Article 9.

9.2 Marketing Rights. Declarant shall have the right to maintain a sales office and model on one or more of the Lots which Declarant owns. Declarant and prospective purchasers and their agents shall have the right to use and occupy the sales office and models during reasonable hours any day of the week. Declarant may maintain "For Sale" signs on the Property, including, without limitation, on the Common Area.

9.3 Declarant Easements. Declarant reserves easements over the Property as more fully described in Sections 3.4 and 3.5 hereof.

9.4 Additional Improvements. Declarant does not agree to build any improvements not described in this Declaration.

9.5 Size and Appearance of Summit Ridge. Declarant shall not be prevented from increasing or decreasing the number of Lots that may be annexed to Summit Ridge or from changing the exterior appearance of the Common Area, including the landscaping or any other matter directly or indirectly connected with Summit Ridge in any manner deemed desirable by Declarant, provided that the Declarant obtains governmental consents required by law.

ARTICLE 10 **FUNDS AND ASSESSMENTS**

10.1 Purpose of Assessments; Expenses. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, aesthetics and welfare of the Owners and Occupants of Summit Ridge, for the improvement, operation and maintenance of the Common Area and the Commonly Maintained Property, for the administration and operation of the Association, and for property and liability insurance.

10.2 Covenants to Pay. Declarant and each Owner covenant and agree to pay the Association the assessments and any additional charges levied pursuant to this Declaration or the Bylaws. All assessments for operating expenses, repairs and replacement and reserves shall be allocated among the Lots and their Owners as set forth in Section 10.4.2.

10.2.1 Funds Held in Trust. The assessments collected by the Association shall be held by the Association for and on behalf of each Owner and shall be used solely as set forth in Section 10.1. Upon the sale or transfer of any Lot, the Owner's interest in such funds shall be deemed automatically transferred to the successor in interest to such Owner.

10.2.2 Offsets. No offsets against any assessment shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties.

10.2.3 Right to Profits. Association profits, if any, shall be the property of the Association and shall be contributed to the Current Operating Account.

10.3 Basis of Assessment/Commencement of Assessments. The Declarant shall pay all common expenses of the Association until the Lots are assessed for common expenses. The amount of the initial annual assessment to Owners other than the Declarant shall be determined by the Declarant. Assessments are to be levied against all Lots whether or not such Lots have been improved with a completed Home; provided, however, the Declarant shall be exempt from paying the assessments on all Lots owned by it, as more specifically set forth below.

10.3.1 Commencement of Operating Assessments. The date of commencement of the operating portion of the assessment shall be determined by the Declarant; however, in no event shall it commence later than the Turnover Meeting; provided, however, the Declarant shall be exempt from paying the operating portion of the assessment on all Lots owned by it.

10.3.2 Commencement of Reserves. The reserve portion of the assessment shall commence from date of conveyance of a Lot from the Declarant to a third party. The Declarant shall be exempt from paying the reserve assessments on all Lots owned by it.

10.3.3 Working Capital. At closing of the sale of each Lot, each purchaser shall contribute to the Association a sum equal to one-sixth (1/6) of the annual assessments, with respect to the Lot being purchased, as a one-time contribution to the working capital of the Association as more fully provided in the Bylaws.

10.4 Annual Assessments. Annual assessments for each fiscal year shall be established when the Board approves the budget for that fiscal year. The initial annual assessment shall be determined by Declarant and shall be prorated on a monthly basis at the time of the closing of the first sale from Declarant. For proration purposes, any portion of a month shall count as a full month. Annual assessments shall be payable on a periodic basis, not more frequently than monthly, as determined by the Board. The fiscal year shall be the calendar year unless another year is adopted by vote of the Association members.

10.4.1 Budgeting. Each year the Board shall prepare, approve and make available to each member of the Association a pro forma operating statement (budget) containing: (i) estimated revenue and expenses on an accrual basis; (ii) the amount of the total cash reserves of the Association currently available for replacement or major repair of the Common Area and Commonly Maintained Property and for contingencies; (iii) an itemized estimate for the remaining life of, and the methods of funding to defray repair, replacement or additions to major components of such improvements as provided in Section 10.6.2; and (iv) a general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Common Area and the Commonly Maintained Property. Notwithstanding that budgeting shall be done on an accrual basis, the Association's books shall be kept on a cash basis and the Association shall be a cash basis taxpayer, unless applicable governmental regulations require otherwise. For the first fiscal year, the budget shall be approved by the Board no later than the date on which annual assessments are scheduled to commence. Thereafter, the

Board shall annually prepare and approve the budget and distribute a copy or summary thereof to each Member, together with written notice of the amount of the annual assessments to be levied against the Owner's Lot, within thirty (30) days after adoption of such budget. If any Additional Property has been annexed, the Board shall approve a new budget for the remainder of the current fiscal year.

10.4.2 Allocation of Assessments. The total amount in the budget shall be charged equally against all Lots as annual assessments.

10.4.3 Nonwaiver of Assessments. If before the expiration of any fiscal year the Association fails to fix annual assessments for the next fiscal year, the annual assessments established for the preceding year shall continue until a new annual assessment is fixed.

10.5 Special Assessments. The Board and/or the Owners shall have the power to levy special assessments against an Owner or all Owners in the following manner for the following purposes:

10.5.1 Correct Deficit. To correct a deficit in the operating budget, by vote of a majority of the Board;

10.5.2 Special Obligations of an Owner. To collect amounts due to the Association from an Owner for breach of the Owner's obligations under this Declaration, the Bylaws, or the Rules and Regulations, by vote of a majority of the Board;

10.5.3 Repairs. To collect additional amounts necessary to make repairs or renovations to the Common Area or Commonly Maintained Property if sufficient funds are not available from the operating budget or replacement reserve accounts, by vote of a majority of the Board; or

10.5.4 Capital Improvements. To make capital acquisitions, additions or improvements, by vote of at least eighty percent (80%) of all votes allocated to the Lots.

10.6 Accounts.

10.6.1 Types of Accounts. Assessments collected by the Association shall be deposited into at least two (2) separate accounts with a bank, which accounts shall be clearly designated as (i) the Current Operating Account and (ii) the Reserve Account. The Board shall deposit those portions of the assessments collected for current maintenance and operation into the Current Operating Account and shall deposit those portions of the assessments collected as reserves for replacement and deferred maintenance of capital improvements into the Reserve Account. Withdrawal of funds for the Association's Reserve Account shall require the signatures of either two (2) Directors or one (1) Director and an officer of the Association who is not a Director. In its books and records, the Association shall account separately for operating expenses relating to the Common Area/Commonly Maintained Property and operating expenses



relating to all other matters, as well as for necessary reserves relating to the Common Area/Commonly Maintained Property and necessary reserves relating to all other matters.

10.6.2 Reserve Account. Declarant shall establish a Reserve Account, in the name of the Association, which shall be kept separate from all other funds held by the Association. The Association shall pay out of the Reserve Account only those costs that are attributable to the maintenance, repair or replacement of Common Area property and Commonly Maintained Property that normally requires replacement, in whole or in part, within three (3) to thirty (30) years and not for regular or periodic maintenance and expenses. No funds collected for the Reserve Account may be used for ordinary current maintenance and operation purposes.

10.6.2.1 General Operating Reserve. The Board of Directors shall create and maintain a general operating reserve account by allocation and payment thereto monthly of an amount determined by the Board of Directors. This account shall be used to pay expenses which exceed budgeted amounts. The initial working capital required by Section 6.3.1 of the Bylaws shall be deposited into such operating reserve account.

10.6.2.2 Special Reserves. Other special reserve funds may be set up by the Board of Directors by special assessments of the Lot owners who benefit thereby as may be required by the Declaration or otherwise determined by the Association to be appropriate.

10.6.2.3 Calculation of Reserve Assessment; Reserve Study. The Board of Directors of the Association annually shall conduct a reserve study, or review and update an existing study, of the Common Area and Commonly Maintained Property to determine the reserve account requirements. A reserve account shall be established for those items of the Common Area and Commonly Maintained Property all or part of which will normally require replacement in more than three and less than 30 years, for 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 account need not include items that could reasonably be funded from operating assessments. The reserve study shall include:

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

The reserve account assessment shall be allocated pursuant to Section 10.4.2.

10.6.2.4 Loan From Reserve Account. After the Turnover Meeting described in Section 8.2, the Board may borrow funds from the Reserve Account to meet high seasonal demands on the Association's regular operating fund or to meet unexpected increases in expenses. Funds borrowed must be repaid later from assessments. The Board shall adopt a resolution, which may be an annual continuing resolution, authorizing the borrowing of funds. Not later than the adoption of the budget for the following year, the Board shall adopt by resolution a written payment plan providing for repayment of such funds within a reasonable period.

10.6.2.5 Increase or Reduction of Reserve Account Assessment. At any time after the second year after the Turnover Meeting, future assessments for the Reserve Account may be increased or reduced by the vote of Owners of Lots representing seventy-five percent (75%) of the votes computed in accordance with Section 7.3; provided, however, this authority of the Owners shall not limit the authority of the Board of Directors to increase or decrease future assessments for the Reserve Account based on reserve studies or updates to any reserve studies.

10.6.2.6 Investment of Reserve Account. Nothing in this Section 10.6 prohibits the prudent investment of Reserve Account funds, subject to any constraints imposed by the Board, the Bylaws or the Rules and Regulations.

10.6.2.7 Refunds of Assessments. Assessments paid into the Reserve Account are the property of the Association and are not refundable to sellers or Owners of Lots. Sellers or Owners of Lots may treat their outstanding share of the Reserve Account's balance as a separate item in the sales contract providing for the conveyance of their Lot.

10.6.3 Current Operating Account. All costs other than those to be paid from the Reserve Account pursuant to Section 10.6.2 may be paid from the Current Operating Account.

10.7 Default in Payment of Assessments; Enforcement of Liens.

10.7.1 Personal Obligation. All assessments properly imposed under this Declaration or the Bylaws shall be the joint and several personal obligation of all Owners of the Lot to which such assessment pertains. In a voluntary conveyance (that is, one other than through foreclosure or a deed in lieu of foreclosure), the grantees shall be jointly and severally liable with the grantors for all Association assessments imposed through the recording date of the instrument effecting the conveyance. A suit for a money judgment may be initiated by the Association to recover such assessments without either waiving or foreclosing the Association's lien.

10.7.2 Association Lien. The Association shall have a lien against each Lot for any assessment (of any type provided for by this Declaration or the Bylaws) or installment thereof is delinquent. Such lien shall accumulate all future assessments or installments, interest,

late fees, penalties, fines, attorneys' fees (whether or not suit or action is instituted), actual administrative costs, and other appropriate costs properly chargeable to an Owner by the Association, until such amounts are fully paid. Recording of the Declaration constitutes record notice and perfection of the lien. Said lien may be foreclosed at any time pursuant to the Planned Community Act. The Association shall record a notice of a claim of lien for assessments and other charges in the deed records of Washington County, Oregon, before any suit to foreclose may be filed. The lien of the Association shall be superior to all other liens and encumbrances except property taxes and assessments, any first mortgage, deed of trust or land sale contract recorded before the Association's notice of lien and any mortgage or deed of trust granted to an institutional lender that is recorded before the Association's notice of lien.

ARTICLE 11

GENERAL PROVISIONS

11.1 Records. The Board shall preserve and maintain minutes of the meetings of the Association, the Board and any committees. The Board also shall keep detailed and accurate financial records, including individual assessment accounts of Owners, the balance sheet, and income and expense statements. Individual assessment accounts shall designate the name and address of the Owner or Owners of the Lot, the amount of each assessment as it becomes due, the amounts paid upon the account, and the balance due on the assessments. The minutes of the Association, the Board and Board committees, and the Association's financial records shall be maintained in the state of Oregon and reasonably available for review and copying by the Owners. A reasonable charge may be imposed by the Association for providing copies, including charges for administrative time.

11.2 Indemnification of Directors, Officers, Employees and Agents. The Association shall indemnify any Director, officer, employee or agent who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by the Association) by reason of the fact that such person is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by said person in connection with such suit, action or proceeding if such person acted in good faith and in a manner that such person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe that such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, shall not of itself create a presumption that a person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had reasonable cause to believe that such person's conduct was unlawful. Payment under this clause may be made during the pendency of such claim, action, suit or proceeding as and when incurred, subject only to the right of the Association to reimbursement of such

payment from such person, should it be proven at a later time that such person had no right to such payments. All persons who are ultimately held liable for their actions on behalf of the Association as a Director, officer, employee or agent shall have a right of contribution over and against all other Directors, officers, employees or agents and members of the Association who participated with or benefited from the acts which created said liability.

11.3 Enforcement; Attorneys' Fees. The Association and the Owners and any mortgagee holding an interest on a Lot shall have the right to enforce all of the covenants, conditions, restrictions, reservations, easements, liens and charges now or hereinafter imposed by any of the provisions of this Declaration as may appertain specifically to such parties or Owners by any proceeding at law or in equity. Failure by either the Association or by any Owner or mortgagee to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of their right to do so thereafter. In the event suit or action is commenced to enforce the terms and provisions of this Declaration (including without limitations, for the collection of assessments), the prevailing party shall be entitled to its actual administrative costs incurred because of a matter or event which is the subject of the suit or action, attorneys' fees and costs in such suit or action to be fixed by the trial court, and in the event of an appeal, the cost of the appeal, together with reasonable attorneys' fees, to be set by the appellate court. In addition thereto, the Association shall be entitled to its reasonable attorneys' fees and costs incurred in any enforcement activity or to collect delinquent assessments, together with the Association's actual administrative costs, whether or not suit or action is filed.

11.4 Association Litigation. No litigation shall be commenced against the Declarant or any Owner of a Lot in respect to any alleged defect in a Home or on any Common Area except in compliance with the process set forth in Oregon Revised Statutes 701.560 to 701.595.

11.5 Severability. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall not affect the other provisions hereof and the same shall remain in full force and effect.

11.6 Duration. The covenants, conditions and restrictions of this Declaration shall run with and bind the land for a term of thirty-five (35) years from the date of this Declaration being recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless rescinded by a vote of at least ninety percent (90%) of the Owners and ninety percent (90%) of the first mortgagees; provided, however, that amendments that do not constitute rescission of the planned community may be adopted as provided in Section 11.7 and that if any of the provisions of this Declaration would violate the rule against perpetuities or any other limitation on the duration of the provisions herein contained imposed by law, then such provision shall be deemed to remain in effect only for the maximum period permitted by law or, in the event the rule against perpetuities applies, until twenty-one (21) years after the death of the last survivor of the now living descendants of Ex-President George Bush.

11.7 Amendment. Except as otherwise provided in Section 11.6 or ORS 94.590, and the restrictions set forth elsewhere herein, this Declaration may be amended at any time by an instrument approved by not less than seventy-five percent (75%) of the total votes of each class of members that are eligible to vote. Any amendment must be executed, recorded and certified



Personally appeared Kelly Ritz who, being duly sworn, did say that he/she is the President of Venture Properties, Inc., an Oregon corporation, and that the foregoing instrument was signed in behalf of said company/corporation; and acknowledged said instrument to be its voluntary act and deed.

Vicki S. Ekj

NOTARY PUBLIC FOR OREGON

as provided by law; provided, however, that no amendment of this Declaration shall effect an amendment of the Bylaws or Articles without compliance with the provisions of such documents, and the Oregon Nonprofit Corporation Act and that no amendment affecting the general plan of development or any other right of Declarant herein contained may be effected without the express written consent of Declarant or its successors and assigns, including, without limitation, amendment of this Section 11.7.

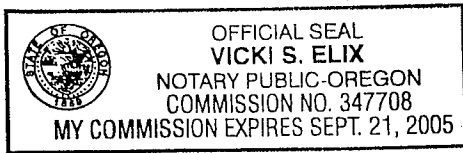
11.8 Release of Right of Control. Declarant may give up its right of control in writing at any time by notice to the Association.

11.9 Unilateral Amendment by Declarant. In addition to all other special rights of Declarant provided in this Declaration, Declarant may amend this Declaration in order to comply with the requirements of the Federal Housing Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any other state in which the Lots are marketed and sold, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon, or such other state, the approval of which entity is required in order for it to insure, guarantee or provide financing in connection with development of the Property and sale of Lots. Prior to the Turnover Meeting, no such amendment shall require notice to or approval by any Class A member.

11.10 Resolution of Document Conflicts. In the event of a conflict among any of the provisions in the documents governing Summit Ridge, such conflict shall be resolved by looking to the following documents in the order shown below:

- 1. Declaration;
- 2. Articles;
- 3. Bylaws;
- 4. Rules and Regulations.

IN WITNESS WHEREOF, Declarant has executed this instrument this 5 day of April, 2005.



VENTURE PROPERTIES, INC.,
an Oregon corporation

By: [Signature]
Kelly Ritz, President

STATE OF OREGON)
)
County of Multnomah) ss.

April 5, 2005

Washington County, Oregon **2022-072650**
D-R/BAM
Stn=2 S AKINS 12/21/2022 09:19:42 AM
\$10.00 \$11.00 \$5.00 \$60.00 **\$86.00**

I, Joe Nelson, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.

Joe Nelson, Director of Assessment and Taxation, Ex-Officio County Clerk

AFTER RECORDING RETURN TO:

Bagby Law Firm LLC
PO Box 80371
Portland OR 97280

DOCUMENT TYPE: Certificate of Compliance (ORS 93.270)
NAMES OF PARTIES: Summit Ridge Owners Association
CONSIDERATION: Not applicable
MAIL TAX STATEMENT TO: AMS NW
15350 SW Sequoia Parkway #200
Portland OR 97224

**CERTIFICATE OF COMPLIANCE
FOR SUMMIT RIDGE**

WHEREAS certain real property in Washington County, Oregon was subjected to a Declaration of Covenants Conditions, and Restrictions for Summit Ridge, which was recorded in the Official Records of Washington County on April 19, 2005, under recording no. 2005-036315 ("Declaration");

WHEREAS that document was superseded by recording of the First Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Summit Ridge which was recorded on July 7, 2006, recording no. 2006-080903;

WHEREAS Bylaws for the Summit Ridge Owners Association were recorded on July 7, 2006, recording no. 2006-080904;

WHEREAS all instruments referenced above are collectively referred to herein as Governing Documents; and

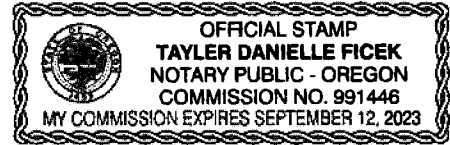
WHEREAS the Board of Directors of the Association Summit Ridge Owners Association has reviewed its Governing Documents to confirm that they do not contain any restrictions based on race, color, religion, sex, sexual orientation, national origin, marital status, familial status, source of income, disability, or the number of individuals, including family members, persons of close affinity or unrelated persons, who are simultaneously occupying a dwelling unit within occupancy limits.

CERTIFICATION

NOW THEREFORE, IN WITNESS WHEREOF, the undersigned President and Secretary of the Association hereby certify that the Board has reviewed the governing documents, and they do not contain any restriction, rule, or regulation against the use of the community or the lots by a person or group of persons because of race, color, religion, sex, sexual orientation, national origin, marital status, familial status, source of income, disability or the number of individuals, including family members, persons of close affinity or unrelated persons, who are simultaneously occupying a dwelling unit within occupancy limits.

SUMMIT RIDGE OWNERS ASSOCIATION

By: [Signature] 12/6/22
Its President Date



STATE OF OREGON)
) ss.
County of Washington)

On 12/6, 2022, personally appeared before me the above-named Nick Clark who, being duly sworn, did state that they are the President of the **SUMMIT RIDGE OWNERS ASSOCIATION**, the non-profit corporation that executed the within and foregoing instrument and acknowledged said instrument to be its voluntary act and deed, for the uses and purposes herein mentioned.

[Signature]
Notary Public for Oregon
My commission expires: 9/12/23

SUMMIT RIDGE OWNERS ASSOCIATION

By: [Signature] 12/20/2022
Its Secretary Date

STATE OF OREGON)
) ss.
County of Washington)

On 12/20, 2022, personally appeared before me the above-named Gavin Smith who, being duly sworn, did state that they are the Secretary of the **SUMMIT RIDGE OWNERS ASSOCIATION**, the non-profit corporation that executed the within and foregoing instrument, and acknowledged said instrument to be its voluntary act and deed, for the uses and purposes herein mentioned.

[Signature]
Notary Public for Oregon
My commission expires: 9/12/23

