

96-1302

DECLARATIONS, ^{AMENDED AND RESTATED} RESTRICTIONS, PROTECTIVE COVENANTS
AND CONDITIONS OF

RECORDED BY
WESTERN TITLE & ESTATE CO

96-831

CAMDEN PARK EAST

This Declaration of Covenants, Conditions, and Restrictions is made this 1st day of February, 1996 by T. D. Archey Corporation dba Subdivision Development Company, hereinafter referred to as "Declarant".

WHEREAS, Declarant is the owner of the real property described in Exhibit "A", attached hereto and incorporated herein by reference. Declarant intends by this Declaration to impose upon the Properties mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of residential property within Camden Park East, the planned unit development made subject to the Declaration and amendments thereto by the recording of the Declaration.

NOW, THEREFORE, Declarant hereby declares that all the Properties described in Exhibit "A" and any additional property as may be subsequent amendment be added to and subjected this Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value of desirability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I Definitions

Section 1. "Additional Land" shall mean and refer to additional real property subject to Declarant's unilateral right of annexation as provided elsewhere in the Declaration, which property is more particularly described in Exhibit "B", attached hereto and incorporated throughout this Declaration by reference.

Section 2. "Area of Common Responsibility" shall mean and refer to the Common Area.

Section 3. "Bylaws" shall refer to the Bylaws of Camden Park East Homeowners Association, Inc.

Section 4. "Common Area" shall mean all real and personal property now or hereafter owned by the association for the common use and enjoyment of the Owners.

Section 5. "Eligible Mortgage Holder" shall mean a holder, insurer, or guarantor of a first mortgage on a Lot who has requested notice of certain matters from the Association as hereinafter and in the Association's Bylaws provided.

Section 7. "Eligible Votes" shall mean those votes available to be cast on the issue at hand. A vote which is for any reason suspended is not available to be cast.

Section 8. "Lot" shall mean a portion of the Properties other than the Common Area intended for any type of independent ownership and use as may be set out in the Declaration and as shall be shown on the plats filed with this Declaration or amendments thereto. Where the contract indicated or requires, the term Lot includes any structure on the Lot.

Section 9. "Majority" means those eligible votes, Owners, or other groups as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

Section 10. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 11. "Mortgage" means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

Section 12. "Mortgagee" shall include a beneficiary or holder of a deed of trust, as well as a mortgagee.

Section 13. "Mortgagor" shall include the trustor of a deed of trust, as well as a mortgagor.

Section 14. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Property, but excluding any party holding the fee simple title merely as security for the performance of an obligation. Owner shall include the Declarant.

Section 15. "Person" means a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 16. "Property or Properties" shall mean and refer to the real property described on page one of the Declaration and such additional real property as may be added in accordance with Article VIII consisting of 19 lots.

Section 17. "Subsequent Amendment" shall mean an amendment to this Declaration which adds additional property to that covered by this Declaration. Such Subsequent Amendment may, but is not required to impose, expressly or by reference, additional restrictions and obligations on the land submitted by that Amendment to the provisions of this Declaration.

ARTICLE II Property Rights

Section 1. Owners Easement of Enjoyment

Every Owner shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions.

(a) The right of the Declarant, with regard to the Properties which may be owned for the purpose of development, to grant easements in and to the Common Area contained within the respective Properties to any public agency, authority, or utility for such purposes as benefits only the Properties or portions thereof and Owners of Lots contained therein.

(b) The right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, for acquiring additional Common Area, for construction, repairing, or improving any improvements located or to be located thereon, and to give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Area, provided eighty percent (80%) of the members present at a meeting called for such purpose shall approve; provided, however, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interest, options, easements, and privileges reserved or established in this Declaration for the benefit of Declaration or any Owner, or the holder of any mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any Lot or other property located within Camden Park East.

(c) The right of the Association to dedicate or transfer all or any portion of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved (1) by at least two thirds (2/3) of the votes which are present or represented by proxy are entitled to cast at a meeting duly called for such purpose.

Article II, Section 1(c) may not be amended without the written consent of Declarant.

Declarant shall convey the Common Area to the Association upon recordation of this Declaration. Declarant does not contemplate making any improvements to the Common Area.

Section 2. Owner's Right To Ingress, Egress, and Support

Each Owner shall have the right to ingress and egress over, upon and across the Common Area necessary for access to his or her Lot and shall have the right to lateral support for his or her Lot, and such rights shall be appurtenant to and pass with the title to each Lot.

Section 3. Use of Lots

Except as may be otherwise expressly provided in this Declaration, each Lot shall be used for residential purposes only; no trade or business of any kind may be conducted. Lease or rental of a Lot or any building thereon for residential purposes shall not be considered to be a violation of this covenant, so long as the lease is in compliance with reasonable rules and regulations as the Board of Directors may promulgate. Any lessee or tenant shall in all respects be subject to the terms and conditions of this Declaration, the By-laws, and the rules and regulation adopted hereunder.

Section 4. Rules and Regulations

The Board of Directors may establish reasonable rules and regulations concerning the use of the Common Area, facilities located thereon, and individual Lots. Copies of such regulations and amendments thereto shall be furnished by Association to all Owners prior to the rule's effective date. Such regulations shall be binding upon the Owners, their families, tenants, guests, invitees, and agents until and unless such regulation, rule or requirement shall be specifically overruled, canceled or modified by the Board or the Association in a regular or special meeting by the vote of members holding a majority of the total votes in the Association. The Board shall have the authority to impose reasonable monetary fines and other sanctions, and monetary fines may be collected by lien and foreclosure as provided in Article X.

ARTICLE III Membership and Voting Rights

Section 1. Membership

Every person or entity who is the record owner of a fee interest, or contract vendee, in any lot that is subject to this Declaration shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from such ownership. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one person or entity, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or the Member's spouse, but in no event shall more than one (1) vote for each class of membership applicable to a particular Lot be cast for each Lot.

Section 2. Place of Meeting

Meetings of the members of the Association shall be held at such reasonable place convenient to the members as may be designated in the notice of the meeting.

Section 3. Turnover Meeting

Within five years after the date of conveyance of the first Lot to a person other than the Declarant, or within one hundred twenty (120) days after Declarant has sold and conveyed ninety percent (90%) or more of the Lots to Owners other than the Declarant, whichever is earlier, the interim Board of Directors shall call the first meeting of the Owners to organize the Association and to elect directors. Notice of such meeting shall be given to all Owners as provided in Article III, Section 5. If the interim Board of Directors fails to call the meeting,, the meeting may be called and notice given by any Owner or mortgagee of a Lot. The expense of giving notice shall be paid or reimbursed by the Association. In the event of lack of quorum at such Turnover Meeting, it may be adjourned to the time of the first annual meeting. Nothing in this section shall be construed as preventing the interim Board of Directors from calling the Turnover Meeting prior to such date, or from calling informal, informational meetings of the Owners.

Section 4. Annual Meeting

The annual meeting of the members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such reasonable hour and on such reasonable day during the month of November or December of each year as the President may designate, or if the President should fail to designate a date by the first day of December, then at 7:30 PM on the second Thursday in December. The first annual meeting shall be held within one year from the date of the Turnover Meeting.

Section 5. Special Meetings

A special meeting of the Association may be called at any time by the President or by a majority of the Board of Directors. A special meeting shall be called upon receipt of a written request stating the purpose of the meeting from members having twenty five percent (25%) of the votes entitled to be cast at such meeting.

Section 6. Notice of Meeting

Written or printed notice stating the place, day and hours of the meeting, the items on the agenda, including the general nature of any proposed amendment of the Declaration or these Bylaws, any budget changes, and proposal to remove a director or officer and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting. Such notice shall be given either personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to each member entitled to vote at such meeting, and to all mortgagees who have requested such notice. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage fully prepaid therein, addressed to the member at his most recent address as it appears on the records of the Association or the mailing address of his Lot.

Lot Owners shall be entitled on all issues to one (1) vote for each Lot in which they hold the interest required for membership by Section 1 hereof; there shall be only one (1) vote per Lot; provided, however, no vote shall be cast or counted on any Lot not subject to assessment.

ARTICLE IV Maintenance

Section 1. Association's Responsibility

The Association shall maintain and keep in good repair the area of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Area of Common Responsibility.

Section 2. Owner's Responsibility

Except as provided in Section 1 of the Article, all maintenance of the Lot and all part of the residence thereon shall be the responsibility of the Owner, and

each Owner shall maintain and keep in good repair such property and improvements.

ARTICLE V

Rights and Obligations of the Association

Section 1. Common Area

The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements therein, and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions of this Declaration and the Bylaws.

Section 2. Services

The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the property operation of the Properties, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration. The Association may, but shall not be required to, arrange as an Association expense with third parties to furnish water, trash collection, sewer service, or other common services to each Lot.

ARTICLE VI

Assessments

Section 1. Purpose of Assessment

The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

Section 2. Creation of Assessments

Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay the Association; (a) annual assessments or charges; (b) special assessments, such assessments to be established and collected as hereinafter provided; and (c) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration. All such assessments, together with the late charges, interest, not to exceed the maximum legal rate, costs, and reasonable attorney's fees actually incurred, shall be charged on the land and shall be a continuing lien upon the Lot against which each assessment is made.

Section 3. Computation of Assessment

It shall be the duty of the Board to prepare a budget covering the estimated costs of operation the Association during the coming year, which shall include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget and the assessments to be levied against each Lot for the following year to be delivered to each member at least thirty (30) days prior to the end of the current fiscal year. The budget and the assessment shall become effective unless disapproved at a meeting by a Majority of the Owners. Notwithstanding the foregoing, however, in the event the membership disapproved the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Section 4. Special Assessments

In addition to the other assessments authorized herein, the Association may levy special assessments in any year. So long as the total amount of special assessments allocable to each Lot does not exceed five hundred dollars (\$500) in any one fiscal year, the Board may impose the special assessment. Any special assessment which would cause the amount of special assessments allocable to any Lot to exceed this limitation shall be effective only if approved by a Majority of the Class A members. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 5. Annual Assessment and Road Maintenance Agreement

The Declarant, for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract of purchase therefore, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay the Association annual road maintenance.

The annual road maintenance assessment, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property which each such easement is made until paid or foreclosed. Each such assessment, together with interest, costs and reasonable attorneys' fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the successor in title unless expressly assumed by the successor. The Secretary of the association may file liens against delinquent properties by recording a notice of delinquency in the appropriate county records.

In addition to any road maintenance assessment as needed, an annual assessment may be levied by the Directors of the Association for the following purposes: street, road, path and bikeway maintenance; snow removal; landscape maintenance; repair and replacement; insurance and fire protection; taxes; collection costs; legal and accounting expenses; and any other purpose declared appropriate by the Directors of the Association.

The Association shall establish a reserve account in order to accomplish the above purposes.

Section 6. Lien for Assessments

All sums assessed against any Lot pursuant to this Declaration, together with late charges, interests, costs, and reasonable attorneys' fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on a first Mortgage or on any Mortgage to Declarant duly recorded in the land records of Deschutes County, Oregon, and all amounts advanced pursuant to such Mortgage and secured thereby in accordance with the terms of such instrument.

All other persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 7. Effect of Nonpayment of Assessments; Remedies of The Association

Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine. The Association shall cause a notice of delinquency to be given to any member who has not paid within ten (10) days following the due date. If the assessment is not paid within thirty (30) days, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest, not to exceed the maximum legal rate, on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in the Article shall be in favor of the Association and shall be for the benefit of all other Owner's. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot and its improvements at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the Lot and improvements. No Owner may waive or otherwise except liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the improved Lot.

All payments shall be applied first to costs and attorneys' fees, then to late charges, then to interest, then to delinquent assessments,, then to any unpaid installments of the annual assessment or special assessments which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

Section 8. Reserve Account and Contribution

The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect to both amount and timing by annual assessments over the period of the budget. The capital

contribution required shall be fixed by the Board and included within the budget and assessments, as provided in Section 3 of this Article. A copy of the reserve account budget shall be distributed to each member in the same manner as the operating budget.

Section 9. Subordination of the Lien to First Deeds of Trust and First Mortgages

The lien of the assessments, including interest, late charges, costs (including attorneys' fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage of record or other purchaser of a Lot obtains title, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all the Lots, including such acquirer, his or her successors and assigns.

Section 10. Capitalization of Association

Upon acquisition of record title to a Lot from Declarant, each Owner shall contribute to the capital of the Association an amount equal to one half (1/2) of the amount of the general assessment for that Lot as determined by the Board. This amount shall be deposited by the buyer into the Purchase and Sales Escrow and disbursed therefrom to the Association.

Section 11. Date of Commencement of Annual Assessments

The first annual assessment will be levied in January 1998, and will not exceed \$500.00 per year per lot. The first annual assessment will remain in effect until January 1999. Thereafter the amount of the annual assessment will be determined by the Directors of the Association.

ARTICLE VII Architectural Standards

The board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdictions decisions of either Committee established in subsections (a) and (b) of this Section 10. This Article may not be amended without the Declarant's written consent, so long as the Declarant owns any land subject to this Declaration or subject to annexation to this Declaration.

No construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Section, until the requirements thereof have been fully met, and until the approval of the appropriate Committee has been obtained.

Section 1. Architectural Review Committee

The Architectural Review Committee (ARC) shall have exclusive jurisdiction over all original construction on any portion of the Properties and jurisdiction over modifications, additions, or alterations made on or to existing Residential Lots and the open space, if any, appurtenant thereto. The ARC shall prepare and, on behalf of the Board of Directors, shall promulgate design guidelines and application procedures. The standards and procedures shall be those of the Association, and the ARC shall have sole and full authority to prepare and to amend the standards and procedures. It shall make both available to Owners, builders, and developers who seek to engage in development of or construction upon all or any portion of the Properties and who shall conduct their operations strictly in accordance therewith. Until all the Properties contained in Exhibit "B" have been conveyed to purchasers in the normal course of development and sale, or until the right of the Declarant to submit such properties expires, the Declarant retains the right to appoint all members of the ARC, which shall consist of at least three (3), but no more than five (5) persons. There shall be no surrender of this right prior to that time, except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members.

ARTICLE VIII Mortgagee Rights

The following provisions are for the benefit of holders, insurers, or guarantors of first mortgages on Lots in Camden Park East. To the extent applicable, necessary, or proper, the provisions of the Article VIII apply to both this Declaration and to the Bylaws of Camden Park East Homeowners Association, Inc. Where indicated, these provisions apply only to eligible holders, as hereinafter defined.

Section 1. Notices of Action

An institutional holder, insurer or guarantor of a first mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number), (therefore becoming an eligible holder), will be entitled to timely written notice of:

- (a) Any proposed termination of the Association;
- (b) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Lot on which there is a first mortgagee held, insured, or guaranteed by such eligible holder;
- (c) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days;
- (d) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or
- (e) Any proposed action which would require the consent of eligible holders, as required in Section 2 and 3 of this Article.

Section 2. Other Provisions for First Lien Holders

To the extent possible under Oregon law:

- (a) Any restoration or repair of the Properties after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with this Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Lots to which at least fifty one percent (51%) of the votes of Lots, subject to mortgages held by such eligible holders are allocated is obtained.
- (b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation must require the approval of the eligible holders of first mortgages on Lots to which at least fifty one percent (51%) of the votes of Lots, subject to mortgages held by such eligible holders, are allocated.
- (c) Notwithstanding the provisions of the preceding paragraph, until termination of the Class B membership Declarant shall have the right to amend these Bylaws in order to comply with the requirements of the Department of Real Estate of the State of California, the Federal Housing Administration, 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, any 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 or the State of Oregon which insures, guarantees or provides financing for a planned community or lots in a planned community.

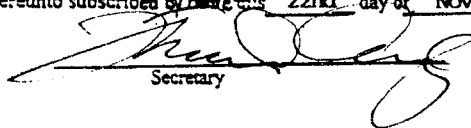
Section 3. Recording

Once adopted, such amendment shall be copies in the appropriate place of the Minute Book of the Association containing the original Bylaws. If any Bylaw is repealed, the fact of such repeal and the date on which the repeal occurred shall be stated in such book and place.

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of an Oregon corporation; that the foregoing Bylaws constitute the Bylaws of said Association; and that they were duly adopted at a meeting of the Board of Directors thereof, held on the 1st day of February, 1996.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of November 1996


Secretary

Section 4. FNMA and GNMA Requirements

Notwithstanding any other provisions of this Article, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity requirements for planned unit development projects established by FNMA and Government National Mortgage Association, so long as either is a mortgagee or Owner, except to the extent such coverage is not available or has been waived in writing by FNMA or Government National Mortgage Association. FNMA or FNMA's servicer, its successors and assigns, shall be named as a mortgagee in the Association's policies.

Section 5. Planned Community Act Requirements

In the event these Bylaws are deemed to be governed by the Oregon Planned Community Act, ORS 94.550 to 94.780, the insurance maintained by the Association shall comply with the requirements of that Act.

ARTICLE IX General Provisions

Section 1. Indemnification

The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any

action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or directors, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 2. Easement for Utilities

There is hereby reserved to the Association blanket easements upon, across, above, land under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone, and electricity, as well as storm drainage and other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Association might decide to have installed to serve the Community. It shall be expressly permissible for the Association or its designee, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wire, conduits, cables, and other equipment related to the providing of any such utility or service. Should any part furnishing any such utility of service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

Section 3. Severability

Whenever possible, each provision of the Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this declaration are declared to be severable.

Section 4. Captions

The captions of each Article and Section hereof, as to the contents of each Article 1 and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article of Section to which they refer.

Section 5. Seal

The Board of Directors may, by resolution, adopt a corporate seal.

Section 6. Notice

All notices to the Association or to the Board of Directors shall be sent care of the managing agent, or if there is no managing agent, to the principal office of the Association or to such other address as the

Board of Directors may hereafter designate from time to time. All notices to members shall be sent to the member's Lot or to such other address as may have been designated by the member from time to time in writing to the Board of Directors.

Section 7. Waiver of Notice

Whenever any notice to any member or director is required by law, the Declaration, the Articles of Incorporation, or these Bylaws, a waiver of notice in writing signed at any time by the person entitled to notice shall be equivalent to the giving of the notice.

Section 8. Action Without Meeting

Any action which the law, the Declaration, the Articles of Incorporation or the Bylaws require or permit the members or directors to take at any meeting may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the members or directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the members or directors, shall be filed in the records of minutes of the Association.

Section 9. Conflicts

These Bylaws are intended to comply with the Oregon Nonprofit Corporation Law, the Declaration, the Articles of Incorporation and, if applicable, the Oregon Planned Community Act, ORS 94.550 to 94.780. In case of any irreconcilable conflict, such statutes and documents shall control over these Bylaws.

ARTICLE X Amendments to Bylaws

Section 1. How Proposed

Amendments to these Bylaws shall be proposed by either a majority of the Board of Directors or by members having one fourth (1/4) of the votes entitled to be cast for such amendment. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

Section 2. Adoption

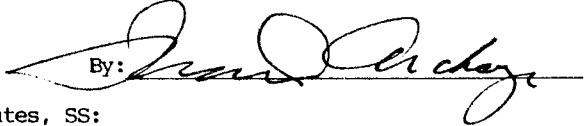
The proposed amendment may be adopted by the membership at a regular or special meeting of the members called for that purpose, at which a quorum is present, by an affirmative majority of the voting power of the Association, the written consent of the Lot Owner, if any, and the consent of mortgagees, to the extent required by the Declaration. Those provisions of the Bylaws which are governed by the Declaration, however, may not be amended except as provided in the Declaration.

Section 3. Transfer of Administrative Responsibility

After eighteen (18) of nineteen (19) Lots are closed to builders/buyers, Declarant will convey all administrative responsibility to Home Owners.

IN WITNESS WHEREOF, THE UNDERSIGNED Declaration has executed this declaration
this 22 day of November, 1995.

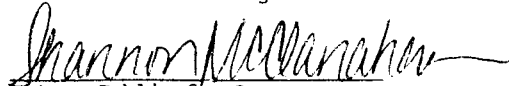
Camden Park East

By: 

State of Oregon County of Deschutes, SS:

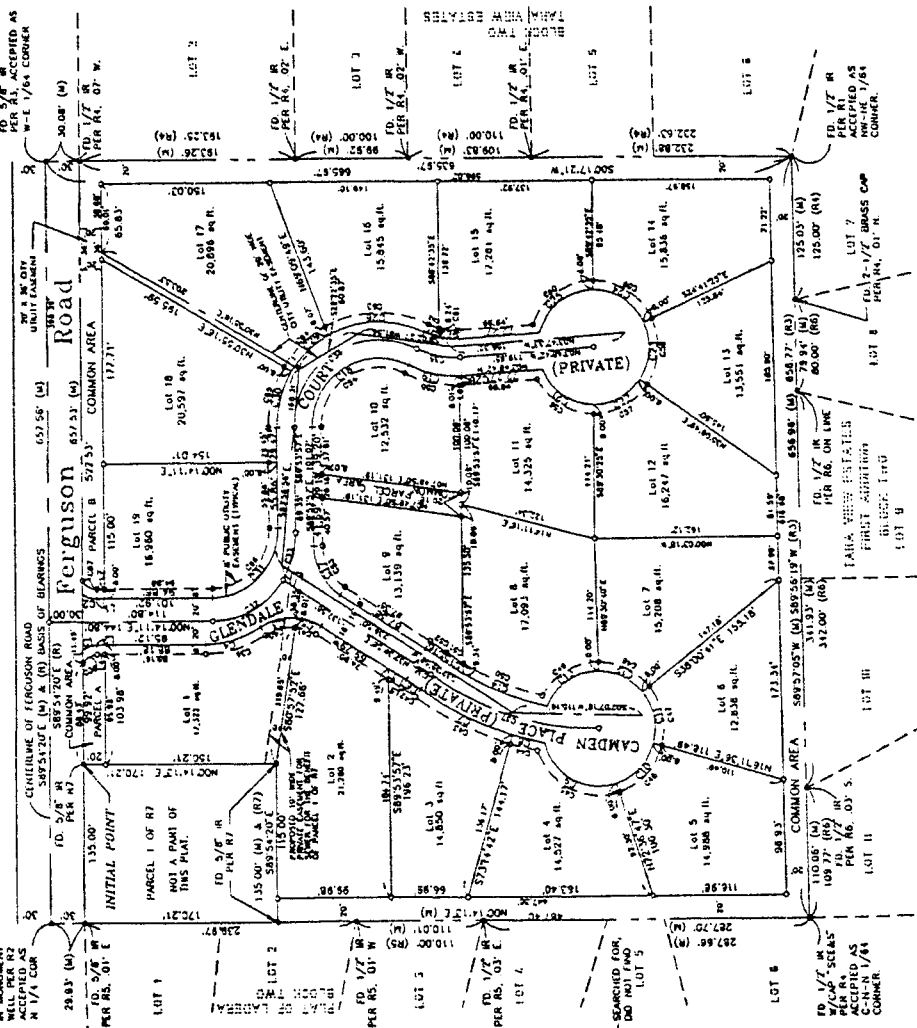
On November 22nd, 1996 the undersigned, a Notary Public in and for said County and State, personally appeared Thomas D. Archey known to me to be a partner of the partnership that executed the within instrument and acknowledged to me that such corporation executed the same.



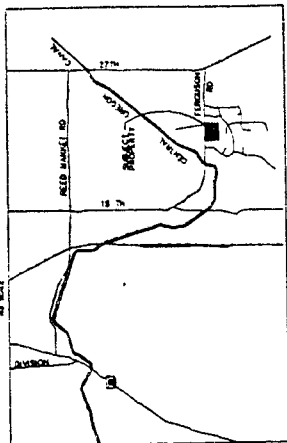

Notary Public for Oregon
My Commission Expires Jan 18, 1998



FO 2-1/2 BRASS CAP



VICINITY MAP



APPLICANT: NEW ORLEANS CO
 WATER PURVEYOR: ANYON WATER COMPANY

60613 PARELL RD.
BEND, OR 97702

SEN. J. J. MOHR
CITY OF BIRMINGHAM

CENTRAL ELECTRIC COOPERATIVE, CO.
PO BOX 846
1375 NE FORDES RD.
BEND, OR 97701

REDMOND, OR. 97756
TELEPHONE:
U.S. WEST COMMUNICATIONS
CABLE TV:

SCHOOLS
P.O. BOX 5067
BEND, CALIF. COMMUNICATIONS
97701

BEND, OR 97702		HIGH OF SORT	M
GAS:		BEND SENIOR HIGH	PM

CASCADE NATURAL GAS CO.
P.O. BOX 5399
SEASIDE, CA 92706

BOM. Co. 9700

PREPARED BY:

UNIVERSITY OF CALIFORNIA

CENTURY WEST ENGINEERING

1444 NW COLLEGE WAY

1944 NW CORNER
BEND, OREGON 97701
503 388-3500

0000-5500 (PUB)
REV. 30, 199

430 - 1320.

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

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

96 NOV 25 PM 3:30

MARY SUE PENHOLLOW
COUNTY CLERK

BY M. Sains DEPUTY

NO. 96-45492

FEE 85

DESCHUTES COUNTY OFFICIAL RECORDS