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DESCHUTES COUNTY CLERK
CERTIFICATE PAGE



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# COPPERSTONE PHASE I ALSO KNOWN AS COPPERSTONE TOWNHOMES AT AWBREY GLEN



### PART OF A PLANNED COMMUNITY DEVELOPMENT

THIS DECLARATION is made this 13th day of June, 2002, by Copperstone Associates, L.L.C., an Oregon limited liability company ("Declarant").

### OBJECTIVES

Declarant owns property located in Awbrey Glen in Deschutes County, Oregon. Declarant proposes to develop portions of this property as a townhome development to be known as CopperStone Townhomes at Awbrey Glen.

The plat of CopperStone Townhomes at Awbrey Glen has been recorded in the plat records of Deschutes County, Oregon. Declarant desires to subject the property described in such plat to the covenants, conditions, restrictions, and charges set forth herein for the benefit of such property and its present and subsequent owners.

CopperStone Townhomes at Awbrey Glen is situated within Awbrey Glen, a planned community.

NOW, THEREFORE, Declarant hereby declares that the property covered in the plat of CopperStone Townhomes at Awbrey Glen, more particularly described on Exhibit A attached hereto shall be held, sold, and conveyed subject to the following easements, covenants, conditions, restrictions, and charges, which shall run with such property and shall be binding upon all parties having or acquiring any right, title or interest in such property or any part thereof and shall inure to the benefit of each owner thereof.

#### ARTICLE 1

## DEFINITIONS

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

- 1.1 "Architectural Review Committee" means the Architectural Review Committee appointed pursuant to the Declaration of Covenants, Conditions, and Restrictions of Awbrey Glen.
- 1.2 "Association" means the nonprofit corporation to be formed to serve as the association of Owners (as hereinafter defined) as provided in Article 8 hereof, and its successors and assigns.
- 1.3 "Building" means five duplex buildings situated on lots 1 through 10, CopperStone Townhomes at Awbrey Glen together with any building containing Living Units on any property annexed pursuant to Section 2.2.
- 1.4 "Common Areas" means all areas designated as such or as "open space" or "private way" on the plat of CopperStone Townhomes at Awbrey Glen including any Common Areas designated as such in any Supplemental Declaration.
- 1.5 "Declarant" means Copperstone Associates, L.L.C., an Oregon limited liability company, any person who succeeds to any special Declarant right and to whom all of the Declarant's

ownership interest in CopperStone is transferred, or any person, other than Owners, to whom the Declarant has transferred, for purposes of resale, all of Declarant's ownership interest in CopperStone.

- 1.6 "Improvement" means every temporary or permanent structure or improvement of any kind, including but not limited to a house, fence, wall, driveway, swimming pool, storage shelter or other product of construction efforts on or in respect to any property within CopperStone, including landscaping, and every alteration, painting or reconstruction thereof.
- 1.7 "Living Unit" means the ten Living Units included in the Buildings together with any units designated for separate residential occupancy annexed pursuant to Section 2.2.
  - 1.8 "Lot" means a platted or legally partitioned lot, within CopperStone.
- 1.9 "Manager" means the person with whom the Association contracts to provide management services pursuant to section 9.4.
- 1.10 "Mortgage" means a mortgage, trust deed, or land sales contract; "mortgagee" means a mortgagee, beneficiary of a trust deed, or vendor under a land sales contract; and "mortgagor" means a mortgagor, grantor of a trust deed, or vendee under a land sales contract.
- 1.11 "Owner" means the person or persons, including Declarant, owning any Living Unit, including any vendee under a recorded land sales contract to whom possession has passed, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a Living Unit, including any vendor under a recorded land sales contract who has given up possession. The rights, obligations, and other status of being an Owner commence upon acquisition of the ownership of a Living Unit and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.
- 1.12 "<u>Private Way</u>" means any area which is designated as such in the plat of CopperStone Townhomes at Awbrey Glen or in any Supplemental Declaration.
- 1.13 "CopperStone" means the property designated in Section 2.1 of this Declaration and any property covered by any Supplemental Declaration recorded in accordance with Section 2.2.
- 1.14 "Supplemental Declaration" means an instrument annexing additional real property to CopperStone.

# ARTICLE 2

# PROPERTY SUBJECT TO THIS DECLARATION

- 2.1 <u>Initial Development</u>. Declarant hereby declares that all of the real property described on Exhibit A attached hereto is owned and shall be owned, conveyed, hypothecated, encumbered, used, occupied, and improved subject to this Declaration. The initial development includes 10 Living Units.
- 2.2 <u>Annexation of Additional Property</u>. Declarant may from time to time and in its sole discretion annex to <u>CopperStone</u> any portion of the property described on Exhibit B attached hereto. Annexation of such property shall be accomplished as follows:
- (a) <u>Supplemental Declaration</u>. Declarant 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 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.

- (b) <u>Effect of Annexation</u>. The property included in any such annexation shall thereby become a part of <u>CopperStone</u> and subject to this Declaration, and the Declarant and the Association shall have and shall accept and exercise administration of this Declaration with respect to such property.
- (c) <u>Voting Rights</u>. Upon annexation, additional Living Units so annexed shall be entitled to voting rights as set forth in Section 8.3 below.
- (d) <u>Adjustment of Association Expenses</u>. The formula to be used for reallocating the common expenses if additional Living Units are annexed and the manner of reapportioning the common expenses if additional Living Units are annexed during a fiscal year are set forth in Section 10.5 below.
- 2.3 <u>Declarant Improvements</u>. Declarant agrees to build all improvements necessary for the Private Ways in <u>CopperStone</u>. Declarant does not agree to build any additional improvements but does not choose to limit Declarant's rights to add improvements not described in this Declaration.
- 2.4 <u>No Limitation on Annexation</u>. There is no limitation on the number of Living Units which Declarant may create or annex to <u>CopperStone</u>. There is no limitation on the right of Declarant to annex Common Areas.

### ARTICLE 3

### PARTY WALLS, INSURANCE, AND DAMAGE OR DESTRUCTION

- 3.1 <u>Party Wall Declaration</u>. The dividing wall adjacent to the Living Units situated in the same building is hereby declared to be a party wall. The cost of maintaining the party wall shall be borne equally by the Owners of the adjacent Living Units.
- 3.2 <u>Damage to Party Wall</u>. In the event of damage or destruction of any party wall from any cause, other than the negligence of an adjacent Owner, the Association shall repair or rebuild the party wall, and each Owner, his successors and assigns, shall have the right to the full use of the party wall so repaired or rebuilt. If an adjacent Owner's negligence shall cause damage to or destruction of the party wall and if such damage or destruction is not covered by insurance, such negligent party shall bear the entire cost of repair or reconstruction. If any negligent Owner shall neglect or refuse to pay his share within 15 days after written demand by the Association, the Association shall be entitled to have a lien on the Living Unit of the negligent Owner for the amount of such defaulting party's share of the repair or replacement cost. Any lien created pursuant to this Agreement may be foreclosed in the same manner as provided in Section 11.3.
- 3.3 <u>Drilling Through Party Wall</u>. With the prior written consent of the Architectural Review Committee, either adjacent Owner shall have the right to break through the party wall for the purpose of repairing or restoring sewerage, water, or utilities, subject to the obligation to restore the party wall to its previous condition at his own expense and the payment to the adjoining Owner of any damages caused thereby.
- 3.4 <u>Destruction of Living Unit</u>. If one or more of the Buildings are damaged, destroyed, or partially condemned, the Association Board of Directors shall immediately proceed to rebuild and restore the Buildings or Buildings so damaged, destroyed, or partially condemned so that the same will be returned to substantially the same condition in which the Building or Buildings existed prior to such damage, destruction, or partial condemnation. Each Living Unit shall have substantially the same vertical and horizontal boundaries as before. If the insurance proceeds are insufficient to rebuild and restore, the Owners shall be liable for assessment for any deficiency.

- 3.5 <u>Easement</u>. No Owner shall alter or change a party wall in any manner, interior decoration excepted. Each party wall shall always remain in its present location. Each adjacent Owner shall have a perpetual easement in that part of the Living Unit of the adjacent Owner on which the party wall is located, for party wall purposes.
- 3.6 <u>Insurance</u>. The Association, through the Board of Directors, shall obtain and maintain at all times and shall pay for out of operating assessments the following insurance covering both the common areas and the Living Units, including fixtures, equipment, and other property which would ordinarily be required to be covered by a holder of a first mortgage:
  - (i) Property insurance including, but not limited to, fire, extended coverage, vandalism, and malicious mischief, and
  - (ii) Insurance covering the legal liability of the Association, the Owners individually and the manager, including but not limited to, the Association Board of Directors, the public and the Owners and their invitees or tenants, incident to ownership, supervision, control or use of the Property. There may be excluded from the policy required under this subsection, coverage of an Owner, other than coverage as a member of the Association or Board of Directors, for liability arising out of acts or omissions of that Owner and liability incident to the ownership or use of the part of the Property as to which that Owner has the exclusive use or occupancy. Liability insurance required under this subsection shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement providing that the rights of a named insured under the policy shall not prejudice any action against another named insured.

Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Each Owner appoints any Insurance Trustee or substitute Insurance Trustee designated by the Association, as an attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for Owners and their first mortgage holders, as their interests may appear.

3.7 <u>Election Not to Rebuild</u>. If any Living Unit is destroyed and the Owners of all Living Units situated in the affected Building elect not to rebuild and if the election not to rebuild is approved by a seventy-five percent (75%) vote of the Owners, the affected Lots shall be cleared of debris and Living Units of an alternate design may be constructed subject to approval of Declarant or the Architectural Review Committee.

# ARTICLE 4

# PROPERTY RIGHTS IN COMMON AREAS

4.1 <u>Owners' Easements of Enjoyment</u>. Subject to provisions of this Declaration, every Owner and such Owner's invitees shall have a right and easement of enjoyment in and to the Common Areas including, without limitation, Private Ways.

- 4.2 <u>Title to Common Areas</u>. Fee title to the Common Areas shall be conveyed by Declarant to, and must be accepted by, the Association free and clear of liens and encumbrances other than those created pursuant to this Declaration.
- 4.3 Extent of Owners' Rights. The rights and easements of enjoyment in the Common Areas created hereby shall be subject to the following and all other provisions of this Declaration:
- (a) <u>Association's and Owners' Easements</u>. Declarant grants to the Association for the benefit of the Association and all Owners of Living Units within <u>CopperStone</u> the following easements over, under, and upon the Common Areas:
  - (i) An easement for installation and maintenance of power, gas, electric, water, and other utility and communication lines and services installed by Declarant or with the approval of the Board of Directors of the Association and any such easement shown on any plat of property included in CopperStone.
  - (ii) An easement for construction, maintenance, repair, and use of the Common Areas and common facilities thereon, including, but not limited to, walkways, bike paths, fences, landscaping, irrigation systems, entry way structures, decorative ornamentation, and signs, and for any purposes and uses adopted by the Association for the benefit of the Association and the Owners.
    - (iii) An easement for the purpose of making repairs to the Common Areas.
- (b) <u>Declarant's Easements</u>. So long as Declarant owns any Lot, and in addition to any other easements to which Declarant may be entitled, Declarant reserves an easement over, under, and across the Common Areas in order to carry out development, construction, and sales activities necessary or convenient for the development of <u>CopperStone</u> and the sale of Living Units and for such other purposes as may be necessary or convenient for the development of <u>CopperStone</u> and the sale of Living Units and for such other purposes as may be necessary or convenient for discharging Declarant's obligations or for exercising any of Declarant's rights hereunder.
- (c) <u>Utility Easements</u>. Declarant or the Association may (and, to the extent required by law, shall) grant or assign easements to Declarant, municipalities, communication companies, or other utilities over Common Areas performing utility services, and the Association may grant free access thereon to police, fire, and other public officials and to employees of utility companies and communications companies serving <u>CopperStone</u>.
- (d) <u>Use of the Common Areas</u>. Except as otherwise provided in this Declaration, including without limitation the provisions in Section 4.3(f), the Common Areas shall be reserved for the use and enjoyment of all Owners and no private use may be made of the Common Areas. Nothing herein shall prevent the placing of a sign or signs upon the Common Areas for the purpose of identifying <u>CopperStone</u>, provided such signs are approved by Declarant or the Architectural Review Committee.
- (e) Alienation of the Common Areas. The Association may not by act or omission seek to abandon, partition, subdivide, encumber, cause the Common Area to be subject to any security interest, sell, or transfer the Common Areas owned directly or indirectly by the Association for the benefit of the Owners unless the holders of at least 80 percent of the Class A voting rights (as described in Section 8.3(b) below) and the Class B member (as defined in Section 8.3(b) below), if any, have given their prior written approval. This provision shall not apply to the easements described in this Section 4.3. A sale, transfer, or encumbrance of the Common Area or any portion of the Common Area in accordance with this Section 4.3(e) may provide that the Common Area so conveyed shall be released from any restriction imposed on such Common Area by this Declaration. No sale, transfer, or encumbrance, may, however, deprive any Owner of such Owner's right of access or support without the written consent of the Owner.

- (f) Owner Easements. Declarant hereby reserves for each Owner an easement for driveway and underground utility purposes across any Common Area lying between such Owner's Lot and the Private Way providing access to such Lot.
- Ways for the purposes of walking thereon or traveling thereon by appropriate means. Each Owner may permit his guests and invitees to use the Private Ways for such purposes. The easement provided for herein shall be appurtenant to and assignable with the Living Unit with respect to which it is granted, but shall not be otherwise assignable. The use of Private Ways shall be subject to rules and regulations adopted by the Board of Directors of the Association. The Board of Directors shall have the right to erect gates across Private Ways and to regulate access through such gates. The Board of Directors shall grant free access on Private Ways to police, fire, and other public officials, to employees of utility companies serving CopperStone and to such others to whom the Board believes access should be given for the benefit of Owners. Declarant may use Private Ways for its own purposes and for the purpose of location of utilities. There shall be no implied dedication of Private Ways.
- 4.4 <u>Delegation of Use</u>. Any Owner may delegate, in accordance with the Bylaws of the Association, such Owner's right of enjoyment of the Common Areas to the members of such Owner's family or tenants who reside in the Living Unit.
- 4.5 <u>Access Easement</u>. Each Owner and each Owner's invitees, Declarant, and Declarant's assigns shall have the right to use the Access Easement shown on the plat of Copperstone Townhomes at Awbrey Glen.

### ARTICLE 5

### PROPERTY RIGHTS IN LIVING UNITS

- 5.1 <u>Use and Occupancy</u>. Except as otherwise expressly provided in this Declaration the Owner of a Living Unit in <u>CopperStone</u> shall be entitled to the exclusive use and benefit of such Living Unit.
- 5.2 <u>Easements Reserved</u>. In addition to any easements shown on the recorded plats, Declarant hereby reserves the following easements for the benefit of Declarant, the Owners, and the Association:
- (a) Exterior and Landscaping Maintenance. The Association, its managers, and contractors shall have the right to enter upon each Lot and Living Unit to the extent reasonably necessary for maintenance and repair of landscaping on the Lots and exterior portions of the living Units.
- (b) <u>Right of Entry</u>. Declarant, the Architectural Review Committee, and any representative of the Association authorized by it may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of determining whether or not the use of and/or Improvements on such Lot are then in compliance with this Declaration. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the Owner of such Lot.
- (c) <u>Sidewalks and Paths</u>. Declarant, the Association, and the Owners, shall have an easement across that portion of each lot on which there is situated a portion of a sidewalk or path as shown on the plat of CopperStone Townhomes at Awbrey Glen.
- 5.3 <u>Restriction on Transfer</u>. There shall be no inter vivos transfer, either directly or indirectly, of any interest in a Living Unit which would result in any person owning, either directly or indirectly through a corporation or a partnership, less than a twenty percent (20%) interest in such Living Unit without the prior written consent of Declarant.

#### ARTICLE 6

### RESTRICTIONS ON USE OF LIVING UNITS

- 6.1 Occupancy. No Owner shall occupy, use, or permit his Lot or Living Unit, or any part thereof, to be used for any purpose other than a private residence for the Owner, his family or his guests, including home occupations as defined in applicable land use ordinances, except that each Owner shall be permitted to rent the Unit for periods of no shorter duration than 30 days when he is not in occupancy. Nothing in this section shall be deemed to prohibit (a) activities relating to the sale of Living Units, or (b) the right of Declarant or any contractor or homebuilder to construct Living Units on any Lot, to store construction materials and equipment on Lots in the normal course of construction. Declarant may use any Living Unit as a sales office or model.
- 6.2 <u>Maintenance</u>. Each Lot shall be maintained in a clean and attractive condition, in good repair, and in such a fashion as not to create a fire hazard. All garbage, trash, cuttings, refuse, garbage, and refuse containers, clothes drying apparatus, and other service facilities located on each Lot shall be screened from view in a manner approved by Declarant. No Owner shall take any action which will unduly increase the Association's expense of exterior maintenance.
- 6.3 <u>Construction and Alteration</u>. Nothing shall be altered or constructed in or removed from or placed on a Lot except with the prior written consent of Declarant or the Architectural Review Committee.
- 6.4 Offensive or Commercial Activity. No offensive or commercial activity shall be carried on, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the other Owners.
- 6.5 <u>Signs</u>. No signs shall be erected or maintained on any Lot except signs which are approved as to appearance and location by Declarant. The restrictions contained in this paragraph shall not apply to directional signs or the placement by the Declarant or Declarant's agent of one or more signs identifying the name of the Declarant and/or the location of a sales office or model home.
- 6.6 Antennas and Satellite Dishes. Exterior satellite receiver, transmission dishes, exterior antennas, or other sending or receiving devices shall not be permitted to be placed upon any Lot except as approved by Declarant or the Architectural Review Committee.
- 6.7 <u>Prohibited Structures</u>. Except for trailers related to construction activities within <u>CopperStone</u> no house trailer, mobile home, manufactured home assembled off site, tent, shack, barn, or other similar outbuilding or structure, whether permanent or temporary, shall be erected or placed on any Lot.
- 6.8 <u>View</u>. The height of vegetation and trees on a Lot shall not materially restrict the view of other Owners. The Board of Directors of the Association shall be the sole judge of the suitability of such heights. This section is not to be read as justification to create views not present when the Living Unit was originally purchased.
- 6.9 Parking. No house trailer, travel trailer, boat trailer, camper, incapacitated motor vehicle, snowmobile, motor home, or off-road vehicle shall be parked or stored on any Lot or Common Area except as provided in the Association's rules and regulations or the architectural guidelines which shall, among other things, permit temporary parking of recreational vehicles and boat trailers in designated areas.
- 6.10 <u>Domestic Animals</u>. No domestic animals shall be kept or raised on any Lot or within or in any Living Unit except for household pets which may be kept and raised only in accordance with

regulations adopted by the Association Board of Directors. The Association Board of Directors shall have the right to prohibit pets which are regarded as dangerous.

6.11 <u>Declaration of Covenants, Conditions, and Restrictions for Awbrey Glen.</u> Each Owner shall at all times comply with all applicable provisions of the Declaration of Covenants, Conditions, and Restrictions for Awbrey Glen.

# ARTICLE 7

### ARCHITECTURAL REVIEW

- 7.1 <u>Approval Required.</u> No Improvement, as defined in Section 1.6 above, shall be erected, placed, altered, maintained, or permitted to remain on any land subject to this Declaration until final plans and specifications have been submitted to and approved in writing by the Architectural Review Committee.
- 7.2 <u>Procedure.</u> Any Owner proposing to construct any Improvements within <u>CopperStone</u> (including any exterior alteration, addition, destruction, or modification to any such Improvements) shall follow the procedures and shall be subject to the approvals required by the Declaration of Covenants, Conditions, and Restrictions for Awbrey Glen. Failure to follow such procedures or obtain such approvals shall be deemed a breach of this Declaration.

### **ARTICLE 8**

# **ASSOCIATION**

Declarant shall organize an association of all of the Owners within <a href="CopperStone">CopperStone</a>. Such Association, its successors, and assigns, shall be organized under the name "CopperStone Homeowners Association, Inc.," or such similar name as Declarant shall designate, and shall have such property, powers, and obligations as are set forth in this Declaration for the benefit of <a href="CopperStone">CopperStone</a> and all Owners of property located therein.

- 8.1 Organization. Declarant shall, before the first Living Unit is conveyed to an Owner, organize the Association as a nonprofit mutual benefit corporation under the Oregon Nonprofit Corporation Act.
- 8.2 Membership. Every Owner of one or more Living Units shall, immediately upon creation of the Association and thereafter during the entire period of such Owner's ownership of one or more Living Units, be a member of the Association. Such membership shall commence, exist, and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.
  - 8.3 Voting Rights. Voting rights within the Association shall be allocated as follows:
- (a) <u>Living Units</u>. Except as provided in Section 8.3(b) with respect to the Class B member, Living Units shall be allocated one vote per Living Unit.
- (b) <u>Classes of Voting Membership.</u> The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant (except that beginning on the date on which the Class B membership is converted to Class A membership, and thereafter, Class A members shall be all Owners including the Declarant). Class A members shall be entitled to voting

rights for each Living Unit owned computed in accordance with Section 8.3(a) above. When more than one person holds an interest in any Living Unit, all such persons shall be members. The vote for such Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Living Unit.

Class B. The Class B member shall be Declarant and shall be entitled to three times the voting rights computed under Section 8.3(a) for each Living Unit or unimproved Lot owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (i) When Living Units on seventy-five percent (75%) of the Lots have been sold and conveyed to Owners other than Declarant; or
- (ii) At such earlier time as Declarant may elect in writing to terminate Class B membership; or
  - (iii) Upon the expiration of seven years from the date hereof.
- 8.4 <u>Powers and Obligations</u>. The Association shall have, exercise, and perform all of the following powers, duties, and obligations:
- (a) <u>Declaration</u>. The powers, duties, and obligations granted to the Association by this
- (b) <u>Statutory Powers</u>. The powers, duties, and obligations of a mutual benefit nonprofit corporation pursuant to the Oregon Nonprofit Corporation Act as it may be amended from time to time.
- (c) <u>General</u>. Any additional or different powers, duties, and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to this Declaration.

The powers and obligations of the Association may from time to time be amended, repealed, enlarged or restricted by changes in this Declaration made in accordance with the provisions herein, accompanied by changes in the Articles of Incorporation or Bylaws of the Association made in accordance with such instruments and with the Oregon Nonprofit Corporation Act.

- 8.5 <u>Liability</u>. Neither the Association nor any officer or member of its Board of Directors 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 Association, any of its officers or any member of its Board of Directors, provided only that the officer or Board member has acted in good faith in accordance with the actual knowledge possessed by him.
- 8.6 Interim Board; Turnover Meeting. Declarant shall have the right to appoint an interim board of three directors or more, who shall serve as the Board of Directors of the Association until replaced by Declarant or their successors have been elected by the Owners at the turnover meeting described in this Section. Not later than ninety (90) days after the expiration of the period of Declarant's Class B membership pursuant to Section 8.3, Declarant shall call a meeting for the purpose of turning over administrative responsibility for CopperStone to the Association. Declarant shall give notice of the meeting to each Owner as provided for in the Bylaws of the Association. If Declarant does not call a meeting required by this Section within the required time, the Transitional Advisory Committee described in Section 8.7 below or any Owner may call a meeting and give notice as required in this Section. At the turnover meeting the interim directors shall resign and their successors shall be elected by the Owners and Declarant as provided in this Declaration and the Bylaws of the Association.

- 8.7 <u>Transitional Advisory Committee</u>. Declarant or Owners shall form a transitional advisory committee (the "Transitional Advisory Committee") to provide for the transition from administrative responsibility by Declarant of <u>CopperStone</u> to administrative responsibility by the Association. Not later than the sixtieth (60th) day after the later of (a) Declarant has conveyed to Owners, other than a successor Declarant, Living Units on fifty percent (50%) of the Lots in the first phase of <u>CopperStone</u>, or (b) the date that Declarant has conveyed ten (10) Lots in <u>CopperStone</u> to Owners, other than a successor Declarant. Declarant shall call a meeting of Owners for the purpose of selecting the Transitional Advisory Committee. The Transitional Advisory Committee shall consist of three or more members. The Owners, other than Declarant, shall select two or more members. Declarant may select no more than one member.
- (a) <u>Declarant Failure to Call Meeting</u>. An Owner may call a meeting of Owners to select the Transitional Advisory Committee if the Declarant fails to do so as provided above.
- (b) <u>Owners' Failure to Select Members</u>. Notwithstanding the foregoing, if the Owners do not select members for the Transitional Advisory Committee as described above, Declarant shall have no further obligation to form the Transitional Advisory Committee.
- (c) <u>Turnover Meeting</u>. The requirement for formation of a Transitional Advisory Committee shall not apply once the turnover meeting specified in Section 8.6 above has been held.
- 8.8 <u>Declarant Control After Turnover</u>. After the turnover meeting described in Section 8.6 above, Declarant shall continue to have the voting rights described in Section 8.3(b) above. In addition, a majority of the Board of Directors of the Association shall be elected by Declarant, as Class B member, with the balance of the Board of Directors elected by the Class A members. After termination of Class B membership, all directors shall be elected by the Class A members.
- 8.9 <u>Association Rules and Regulations</u>. The Association from time to time may adopt, modify, or revoke such rules and regulations governing the conduct of persons and the operation and use of Lots, Living Units, and the Common Areas as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the property within <u>CopperStone</u>. A copy of the rules and regulations, upon adoption, and a copy of each amendment, modification or revocation thereof, shall be delivered by the Association Board of Directors promptly to each Owner and shall be binding upon all Owners and Occupants of all Living Units upon the date of delivery. The method of adoption of such rules shall be as provided in the Bylaws of the Association.

## ARTICLE 9

# MAINTENANCE, UTILITIES, AND MANAGEMENT SERVICES

- 9.1 <u>Maintenance and Lighting of Common Areas</u>. The Association shall perform all maintenance upon, and where the Association deems appropriate provide exterior lighting for, the Common Areas and all improvements situated thereon, including without limitation, gates and recreational facilities, provided that any such lighting shall require prior written consent of Declarant.
- 9.2 <u>Maintenance of Utilities</u>. The Association shall perform or contract to perform maintenance of all private utilities within Common Areas, such as sanitary sewer service lines and lift station, domestic water service lines, storm water detention facilities, and storm drainage lines, except to the extent such maintenance is performed by the utilities furnishing such services.
- 9.3 <u>Maintenance of Building Exteriors and Landscaping</u>. Maintenance of the exterior of the Buildings, sidewalks, and landscaping on the Lots and Common Areas shall be the responsibility of the Association except as hereinafter provided. Exterior maintenance of Buildings shall include painting and reroofing as well as routine maintenance. Owners shall be responsible for landscaping and maintenance on

patios and decks and for the care of hot tubs on exterior decks. Owners shall be responsible for the cost of any repairs necessitated by the negligence or intentional misconduct of such Owner or such Owner's guests or invitees.

9.4 <u>Management</u>. The Association Board of Directors may engage a Manager for the Association and may delegate to the Manager such duties of the officers of the Association as the Association Board of Directors deems appropriate.

### ARTICLE 10

### **ASSESSMENTS**

- 10.1 Annual Operating Budgets. The Association Board of Directors shall on or before December 1 of each year prepare an operating budget for the Association for the ensuing year, taking into account the current costs of insurance premiums, maintenance, and services and future needs of the Association, any previous overassessment and any common profits of the Association. The budget shall provide for such reserve or contingency funds as the Board deems necessary or desirable or as may be required by law.
- 10.2 Operating Assessments. All Living Units shall be assessed equally for operating costs. The amount of the assessment per Living Unit shall be determined by dividing the annual budget by the total number of Living Units.
- 10.3 Special Purpose Assessments. In the event that the Association Board of Directors deems it to be the advantage of the Owners to impose a special purpose assessment to provide funds for a particular capital improvement, capital expenditure, or recreational facility; it may impose such a special assessment, provided that the amount of the assessment and the terms upon which it will be imposed have been approved by the vote or written consent of the Class B member, if any, and by not less than seventy-five percent (75%) of the votes of the Class A members who are voting in person, by absentee ballot or by proxy at a meeting duly called for the purpose of approving the Special Purpose Assessment.
- 10.4 <u>Property Reserve Account</u>. Declarant shall establish a reserve account which shall be called the "Property Reserve Account," and which need not be kept separate and apart from all other funds of the Association. The Property Reserve Account shall be used exclusively for replacement of items of common property which will normally require replacement, in whole or in part, in more than three and less than thirty years, for painting of the exterior of Buildings and for replacement of roofs on the Buildings and not for regular or periodic maintenance expenses. Included as a line item in each operating assessment, shall be an amount to be added to the Property Reserve Account which amount shall take into account the current replacement cost of each item of common property which has an estimated life of greater than three but less than thirty years and the estimated remaining life for such items of common property and the estimated cost of painting and reroofing the Buildings together with the projected date upon which exterior painting and reroofing will be required. Declarant shall not be required to pay any amount under this Section 10.4 assessed to a Living Unit owned by Declarant until such date as the Living Unit is occupied as a residence. At least annually, the Association Board of Directors shall conduct a reserve study or review and update an existing study of the common property to determine the reserve account requirements in accordance with ORS 94.595. At any time after the second year after the turnover meeting described in Section 8.6 above, future assessments for the Property Reserve Account may be increased or reduced by the Association Board of Directors provided that any such action by the Association Board of Directors may be modified by vote of not less than seventyfive percent (75%) of the Owners.
- 10.5 <u>Reallocation Upon Annexation of Property</u>. If additional property is annexed to <u>CopperStone</u>, the Association shall, within 60 days of the annexation, recompute the budget in accordance with Section 10.1 based upon the additional Living Units and Common Areas and recompute assessments for

each Living Unit based upon the formula set forth in Section 10.2. Newly annexed Living Units shall be subject to assessment from the time of annexation of such Living Units to CopperStone, in accordance with the provisions of Section 10.2. The Association shall send notice of the assessment to the Owners of newly annexed Living Units not later than 60 days after the annexation or with the next occurring annual assessment whichever is sooner. Assessments shall be due and payable on or before a date set forth in the notice which shall be not less than 30 days from the date that notice is mailed or at such other time or times set in accordance with this Declaration or the Bylaws as the Association may specify in the notice. To the extent that any adjustment results in a credit for an Owner, such credit shall be applied towards the next occurring payment or payments on the annual assessment.

- 10.6 Payment of Assessments. The Association shall, on or about the 25th day of each month provide notice to the Owner of each Living Unit of the amount of the assessments for such Living Unit for the ensuing month. Assessments shall be due and payable on or before a date set forth in the notice which shall be not less than 15 days from the date the notice is mailed or at such other time or times set in accordance with this Declaration or the Bylaws as the Association may specify in the notice. The Board shall have the right to give discounts for advance payment of assessments.
- Living Unit owned by it within <u>CopperStone</u> does hereby covenant, and each Owner of any Living Unit by acceptance of a conveyance thereof, whether or not so expressed in any such conveyance, shall be deemed to covenant to pay to the Association all assessments or other charges as may be fixed, established, and collected from time to time in the manner provided in this Declaration or the Association Bylaws. Such assessments and charges, together with any interest, expenses or attorney fees imposed pursuant to Section 11.6, shall be a charge on the land and a continuing lien upon the Living Unit against which each such assessment or charge is made. Such assessments, charges, and other costs shall also be the personal obligation of the person who was the Owner of such Living Unit at the time when the assessment or charge fell due. Such liens and personal obligations shall be enforced in the manner set forth in Article 11 below.
- Annual Accounting Each calendar year the Association Board of Directors shall render to each Owner an accounting which shall set forth the amount and source of all income received in the maintenance fund and all disbursements from the fund during the previous calendar year, together with a statement of the assets of and liabilities of the maintenance fund at the close of the last calendar year. The Association Board of Directors shall maintain records of all amounts received into the maintenance fund and of all disbursements therefrom, which records shall be open to inspection by any Owner at any reasonable time during the normal business hours.

## ARTICLE 11

# **ENFORCEMENT**

- Remedies. In the event any Owner or the invitee of any Owner shall violate any provision of this Declaration, the Bylaws of the Association or any rules or regulations adopted by the Association governing the use of Lots, Living Units, or Common Areas, then the Association, acting through its Board of Directors, may notify the Owner in writing that the violations exist and that such Owner is responsible for them, and may, after reasonable notice and opportunity to be heard, do any or all of the following: (a) suspend the Owner's voting rights and right to use the Common Areas for the period that the violations remain unabated, or for any period not to exceed sixty (60) days for any infraction of its rules and regulations, (b) bring suit or action against such Owner to enforce this Declaration, or (c) impose fines as provided in Section 11.7. Nothing in this section, however, shall give the Association the right to deprive any Owner of access to and from such Owner's Living Unit.
- 11.2 <u>Nonqualifying Improvements and Violation of General Protective Covenants</u>. In the event any Owner constructs or permits to be constructed on such Owner's Lot an Improvement contrary to the

provisions of this Declaration, or causes or permits any Improvement, activity, condition or nuisance contrary to the provisions of this Declaration to remain uncorrected or unabated on such Owner's Lot, then the Association acting through its Board of Directors may notify the Owner in writing of any such specific violations of this Declaration and may require the Owner to remedy or abate the same in order to bring the Owner's Lot, the Improvements thereon, and the Owner's use thereof, into conformance with this Declaration. If the Owner is unable, unwilling, or refuses to comply with the Association's specific directives or remedy or abatement, or the Owner and the Association cannot agree to a mutually acceptable solution within the framework and intent of this Declaration, after notice and opportunity to be heard and within sixty (60) days of written notice to the Owner, then the Association acting through its Board of Directors, shall have, in addition to any other rights or remedies provided in this Declaration, at law or in equity, the right to do any or all of the following:

- (a) Remove Cause of Violation. Enter onto the offending Lot, without being subject to any trespass, conversion or any other claim for damages, and remove the cause of such violation, or alter, repair or change the item which is in violation of the Declaration in such a manner as to make it conform thereto, in which case the Association may assess such Owner for the entire cost of the work done.
- (b) <u>Suit or Action</u>. Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration.
  - (c) Fines. Impose one or more fines as provided in Section 11.7.
- 11.3 <u>Default in Payment of Assessments; Enforcement of Lien</u>. If an assessment, fine, or other charge levied under this Declaration is not paid within thirty (30) days of its due date, such assessment or charge shall become delinquent and shall bear interest from the due date until paid at the legal rate of interest and, in addition, the Association may exercise any or all of the following remedies:
- (a) Suspension of Rights; Acceleration. The Association may suspend such Owner's voting rights and right to use the Common Areas until such amounts, plus other charges under this Declaration, are paid in full and may declare all remaining periodic installments of any annual assessment or any other amounts owed by such Owner to the Association immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from such Owner's Lot.
- (b) <u>Lien</u>. The Association shall have a lien against each Lot and Living Unit for any assessment levied against the Lot and Living Unit and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Living Unit from the date on which the assessment, fine or charge is due. The provisions regarding the attachment, notice, recordation, and duration of liens established on real property under ORS 87.352 to 87.386 shall apply to the Association's lien. The lien shall be foreclosed in accordance with the provisions regarding the foreclosure of liens under ORS Chapter 88. The Association, through its duly authorized agents, may bid on the Lot and Living Unit at such foreclosure sale, and may acquire and hold, lease, mortgage, and convey the Lot and Living Unit. If any assessment is payable in installments, the full amount of the assessment is a lien from the date the first installment of the assessment becomes due.
- (c) <u>Suit or Action</u>. The Association may bring an action to recover a money judgment for unpaid assessments and charges under this Declaration without foreclosing or waiving the lien described in paragraph 11.3(b) above. Recovery on any such action, however, shall operate to satisfy the lien, or the portion thereof, for which recovery is made.
- (d) Other Remedies. The Association shall have any other remedy available to it by law or in equity.

- 11.4 <u>Notification of First Mortgagee</u>. The Board of Directors may notify any first mortgagee of any Living Unit of any default in performance of this Declaration by the Living Unit Owner which is not cured within sixty (60) days.
- provided for in this Declaration shall be subordinate to the lien of any first mortgage on such Lot and Living Unit which was made in good faith and for value and which was recorded prior to the recordation of the notice of lien. Sale or transfer of any Lot and Living Unit shall not affect the assessment lien, provided however, that if a first mortgagee acquires a Lot and Living Unit by foreclosure or deed in lieu of foreclosure, such mortgagee and a subsequent purchaser (other than the Owner liable for payment of the assessment covered by the lien) shall not be liable for any of the common expenses chargeable to the Lot and Living Unit which became due before the mortgagee or purchaser acquired title to the Lot and Living Unit by foreclosure or deed in lieu of foreclosure. Such sale or transfer, however, shall not release the Lot and Living Unit from liability for any assessments or charges thereafter becoming due or from the lien of such assessments or charges.
- 11.6 Late Charge, Expenses, and Attorney Fees. A late charge may be charged for each delinquent assessment in an amount established from time to time by resolution of the Board of Directors of the Association not to exceed 10 percent of such assessment. In the event the Association shall file a notice of lien, the lien amount shall also include the recording fees associated with filing the notice, and a fee for preparing the notice of lien established from time to time by resolution of the Board of Directors of the Association. In the event the Association shall bring any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the Owner-defendant shall pay to the Association all costs and expenses incurred by it in connection with such suit or action, including a foreclosure title report, and the prevailing party in such suit or action shall recover such amount as the court may determine to be reasonable as attorney fees at trial and upon any appeal or petition for review thereof or in any bankruptcy proceeding.
- 11.7 Fines. The Board of Directors may establish a schedule of fines applicable to violations of this Declaration or rules and regulations established pursuant to this Declaration. Fines may be imposed by the Board of Directors after giving the alleged violator notice of the proposed fine and an opportunity to be heard. Fines shall be payable within ten days after receipt of written notice of the imposition of the fine. All fines shall be deposited in the Association's operating account.
- 11.8 <u>Nonexclusiveness of Remedies</u>. An election by the Association to pursue any remedy provided for violation of this Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted hereunder.

# ARTICLE 12

# MISCELLANEOUS PROVISIONS

- 12.1 Amendment and Repeal. This Declaration, or any provision hereof, may be amended or repealed by the vote or written consent of Owners holding not less than seventy-five percent (75%) of the Class A votes, together with the written consent of the Class B member, if such membership has not been terminated as provided herein. Any such amendment or repeal shall become effective only upon recordation in the Deed Records of Deschutes County, Oregon, of a certificate of the president or secretary of the Association setting forth in full the amendment, amendments or repeal so approved and certifying that such amendment, amendments or repeal have been approved in the manner required by this Declaration. In no event shall an amendment under this section create, limit or diminish special Declarant rights without Declarant's written consent, or change the boundaries of any Lot or any uses to which any Lot is restricted unless the Owners of the affected Lots unanimously consent to the amendment.
- 12.2 <u>Regulatory Amendments</u>. Notwithstanding the provisions of Section 12.1 above, until termination of the Class B membership, Declarant shall have the right to amend this Declaration or the

Bylaws of the Association in order to comply with the requirements of any applicable statute, ordinance, or regulation or of 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.

- Duration. This Declaration shall run with the land and shall be and remain in full 123 force and effect at all times with respect to all property included in CopperStone and the Owners thereof for an initial period of thirty (30) years commencing with the date on which this document is recorded. Thereafter, this Declaration shall continue to run with the land and be and remain in full force and effect at all times with respect to all property in CopperStone and the Owners thereof for successive additional periods of ten (10) years each. The continuation from the initial or any additional period into the next subsequent period shall be automatic and without the necessity of any notice, consent or other action whatsoever; provided, however, that this Declaration may be terminated at the end of the initial or any additional period by resolution approved not less than six (6) months prior to the intended termination date by the vote or written consent of Owners owning not less than seventy-five percent (75%) of the Class A votes and the written consent of the Class B member, if any, and the written approval of the holders of mortgages on Living Units in the project to the extent required by Section 12.4. Any such termination shall become effective only if prior to the intended termination date a certificate of the president or secretary of the Association, certifying that termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the Deed Records of Deschutes County, Oregon. Such termination shall not have the effect of denying any Owner access to such Owner's Lot unless such Owner and any mortgagee of such Lot have consented in writing to the termination.
- 12.4 Right of Mortgagees Relating to Maintenance. At any time that the Common Areas, including the Private Ways, the landscaping or the exterior of the Buildings are not maintained or repaired by the Association to the extent reasonably necessary to protect and preserve the value of the Property for security purposes, then the record mortgagee, upon giving written notice as hereinafter provided, shall be entitled to exercise the rights of the Owner of the Lot as a member of the Association to vote at all regular and special meetings of the members of the Association for a period of one year following the date of such notice. During this one-year period, the Association shall give notice of all regular and special meetings to both the Owner and the mortgagee, and the Owner may attend such meetings as an observer. Notice from the mortgagee under this section shall quote this Section 12.4 and shall be sent postage prepaid by certified United States mail, return receipt requested, to the Owner with a copy by regular mail to the Association at the last known address of each.
- 12.5 <u>Joint Owners</u>. In any case in which two or more persons share the ownership of any Living Unit, regardless of the form of ownership, the responsibility of such persons to comply with this Declaration shall be a joint and several responsibility and the act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest; provided, however, that in the event such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Association, and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter.
- 12.6 <u>Lessees and Other Invitees</u>. Lessees, invitees, contractors, family members, and other persons entering <u>CopperStone</u> under rights derived from an Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvement, or enjoyment of such Owner's Lot, Living Unit, and other areas within <u>CopperStone</u>. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

- 12.7 <u>Nonwaiver</u>. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.
- 12.8 <u>Construction; Severability</u>. This Declaration and any Supplemental Declaration shall be liberally construed as one document to accomplish the purposes stated in the introductory paragraphs hereof. Nevertheless, each provision of this Declaration and any Supplemental Declarations shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision.
- 12.9 <u>Claims Against Declarant.</u> Except as expressly provided herein or by law, any dispute, controversy or claim by the Association or any Owners, (collectively "Claim" against Declarant, its principals, successors, assigns, agents or brokers, and/or any contractor, subcontractor, architect, materialman, or other person or entity involved in the planning development or construction of CopperStone Townhomes, or any component part thereof, shall be handled as follows:
- (a) The Association or Owners, as the case may be, shall deliver written notice of the nature of such Claim to Declarant and any other involved person or entity within one (1) year of becoming aware of the existence of such Claim, or the facts giving rise to such Claim. For purposes of this Section, knowledge of such Claim shall be deemed to exist, without limitation, upon the identification of such Claim or facts relating thereto, in (I) a written report prepared following an inspection in accordance with the inspection provisions contained herein, (ii) a writing by an Owner to Declarant, or (iii) upon discovery of such Claim.
- (b) If Declarant or another involved party requests, within one hundred twenty (120) days of the ate of receipt of such written notice of c Claim, it shall be provided with access to the Property and a reasonable opportunity and time period to cure or otherwise resolve such Claim.
- (c) Any such Claim, if not otherwise resolved, shall be submitted to and settled by binding arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall constitute the sole and exclusive remedy for the resolution of any such Claim.
- (d) Any arbitration instituted pursuant to this Declaration shall be conducted in accordance with the Commercial Arbitration Rules or the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The decisions of the of the arbitrator, including the determination of the amount of any damages suffered, if any, shall be conclusive, final and binding upon all the parties, their heirs, executors, administrators, successors, assigns, officers, directors and shareholders, as applicable. On the demand of the arbitrator or any party to an arbitration initiated hereunder, and after reasonable opportunity to join in and become a party to such arbitration, all of the parties to such arbitration and such concerned parties shall be bound by such arbitration proceeding. If any party refuses or neglects to appear at or participate in such arbitration proceeding, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented by the party or parties who do participate. The arbitrator is authorized to award any party or parties such sums as it considers proper for the time, expense and trouble of arbitration including arbitrator fees and attorneys' fees.
- (e) In any arbitration of a dispute, controversy or claim by the Association or any Owner or Owners against Declarant, its successors and assigns, and/or any contractor, subcontractor, architect, materialman, consultant, or any other person or entity involved in the planning, development or construction of the CopperStone Townhomes or any component part thereof, not less than ninety percent (90%) of the amount actually awarded, if any, as a result of such arbitration (excluding an award of attorneys fees and costs of suit) must be utilized by the Association, Owner or Owners, solely and exclusively, for the construction, reconstruction, repair or replacement of the Associations or Owners' property. In such proceeding, there shall be no award in excess of the total costs of such repair, improvement or replacement, save the prevailing partys' attorneys fees and costs of the suit.

- 12.10 Notices and Other Documents. All notices and other communications under this Declaration shall be in writing and shall be deemed to have been given on the day of delivery when delivered by personal service and to have been given three business days after delivery to the United States mails certified or registered mail, return receipt requested, addressed to the party to which such notice is directed at its address determined as provided in this Section 12.11.
- Addresses. All notices and other communications under this Declaration shall be given to the parties hereto at the following addresses:
  - (i) If to an Owner, then to the last address for such Owner shown in the Association's records.
    - (ii) If to Declarant or to the Association, then to Declarant or the Association at:

Copperstone Associates, L.L.C. 869 N.W. Wall Street, Suite 204 Bend, Oregon 97701 Attn: \_Donald Bauhofer

Change of Address. Any party hereto may change the address to which notices shall be directed by giving ten days' written notice of such change delivered as provided herein.

IN WITNESS WHEREOF, Declarant has executed this Declaration the date first above written.

# COPPERSTONE ASSOCIATES, L.L.C

By: PENNBROOK HOMES, INC., Manager

STATE OF OREGON

This instrument was acknowledged before me on Dunksfuras Marrier, CEE of of Pennbrook Homes Inc., Manager of

Copperstone Associates, L.L.C.

MARTHA ANN NOTARY PUBL COMMISSION MY COMMISSION E

Notary Public for Oregon My commission expires:

OFFICIAL SEAL

MARTHA ANN DEUCHLER

NOTARY PUBLIC - OREGON

COMMISSION NO. 321999

MY COMMISSION EXPIRES APR 13, 2003

DESCRIPES COUNTY OFFICIAL RECORDS 2001-612M

#### EXHIBIT A

### COPPERSTONE, PHASE ONE

LOCATED IN THE SOUTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 11 EAST, WILLAMSTIE MERIDIAN, CITY OF BEND, DESCRIPTS COUNTY, OREGON, OCTOBER, 2001

#### DECLARATION

INOW ALL PORSONS BY THESE PRESENTS THAT COPPRESTOR ASSOCIATES LLC, AN ORGON LIGHTLE LIMBHIT COMPANY, THE OWNERS OF THE LAWS SHOWN ON THE PLAT, THAT CHIEFD ON SHOW ON THE PLAT, THAT CHIEFD COURT, THACK, PUREL WATER (ASSOCIATED AND PUREL SHOWN EXPENDED AND THE PROPERTY AND PUREL SHOWN EXPENDED AND THE PROPERTY OF THE PUREL SHOWN EXPENDED AND THE PUREL SHOWN AS SHOWN ON THE PUREL SHOWN AS THE

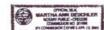
BY: DON BANKER, PRISOCHI, COPPERSTON ASSOCIATES LLC

#### ACKNOWLEDGEMENT

STATE OF OREGON

THE RESTRUMENT WAS ACKNOWNEDGED BEFORE ME ON THE ALL AND ALL A

Meyle Conscional Survey 15 2003



#### CONSENT

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BY DEEDS OF THIST RECORDED IN THE DESCRIPTS COUNTY OFFICIAL RECORDS IN VOLLAGE 2000, PAGES 44/982 AND 44/983, RECORDED OCTORIOR 31, 2000, AND VOLLAGE 2001, PAGE 20084, OF TORIOGO JAMES 22, 2001, LIBERTY DANK IS A BYRKEFICIARY AND CHAPTHYS TO THE SARROWSON OF

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#### ACKNOWLEDGEMENT

STATE OF DREDOM )

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#### CONSENT

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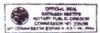
THE SHAPE PROSENT ASSESSMENT SECRETARY

#### ACKNOWLEDGEMENT

STATE OF ORECON )

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#### SURVEYORS CERTIFICATE

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#### APPROVALS

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OCSCILITES COUNTY COMMESSIONER 
SOUNTING OF BOARD OF COMMESSIONERS CONSTITUTES ACCOPTANCE BY COUNTY OF ANY DEDICATION
MADE HEREN TO THE PUBLIC.

DESCRIPTES COUNTY SHAWLTOR

OFF OF BOAD PLANSHING BRECTOR

TEMPERA DESCRIPTION 12-11 2001

CITY OF BEHO ENGINEER

Michael D. Wilson 18-7- 2001

#### ASSESSORS CERTIFICATE

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DESOLUTES COUNTY ASSESSOR Sight Law flow for 11-7- 3001

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NARRATIVE

THE PUMPOSE OF THIS SURVICY IS TO BURDONICE THAT PROPERTY DESCRIBED IN BURDONIA AND SALE RETEINS TO COPPERSTONE ASSOCIATES, LLC. RECORNED IN VISILAR 2001, PAGES 1990/25, AND 64868, RECORDED JANE 22, AND OCTOBER 8, 3001, RESPECTIVELY, DESCRIPTES COUNTY OFFICIAL RECORDS, AT

MED. 00 B11.00 810.00

THIS PROPERTY IS LOCATED IN THE SOUTHWEST CHE-QUARTER OF THE MORTHEAST ONE-GUARTER OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 11 EAST, WILLIMETTE MERICIAN, AND IS PURITHER DESCRIBED IN THE SUPPLY OR'S CONTRICATE.

THE BOUNDARY OF THIS SUBDIVISION IS BASED ON OUR RECORD OF SURVEY FOR LDT LINE ADJUSTMENT NO.'S LLA-99-86 AND LLA-99-380, RECORDED AS DESCRIPTION COUNTY SURVEYOR'S NEW CS 13835.

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#### NOTES

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- 1. DEDICATION OF PUBLIC RIGHT OF WAY: RECONCY DRIVE AS PORTRAYED
- 4. PRIVATE STREET: LOCKE COURT IS A PRIVATE WAY.
- 5. TRACT 'A': IS DEDICATED TO THE CITY OF BEND FOR MATER LINE PURPOSES.
- S. PUBLIC EASIDIENTS OVER "COMMON LOT"

#### POST-MONUMENTAION CERTIFICATE

L BRAN K. RELVES, CERTIFY DIAT POST MONAMENTATION OF THE REMAINS INTEREST COSMICKS WILL BE COMPLETED ON OR BUTONS POCCHIEFE 71, 2002.

BRIAN W. RELYES PLS 2677

COLNTY SLRVEYOR

A TRUE AND EXACT COPY OF THE PLAT FILED IN THE COUNTY CLETUS OFFICE

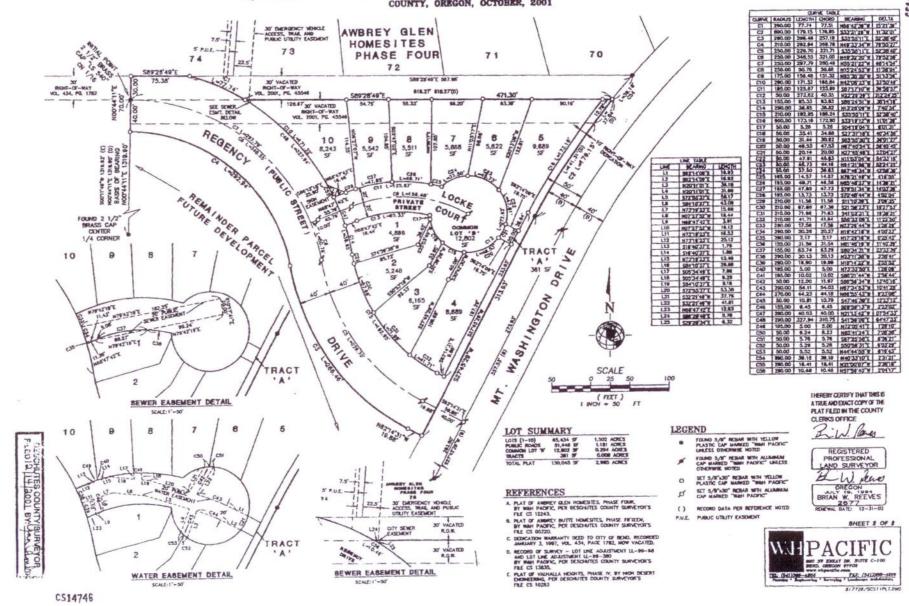
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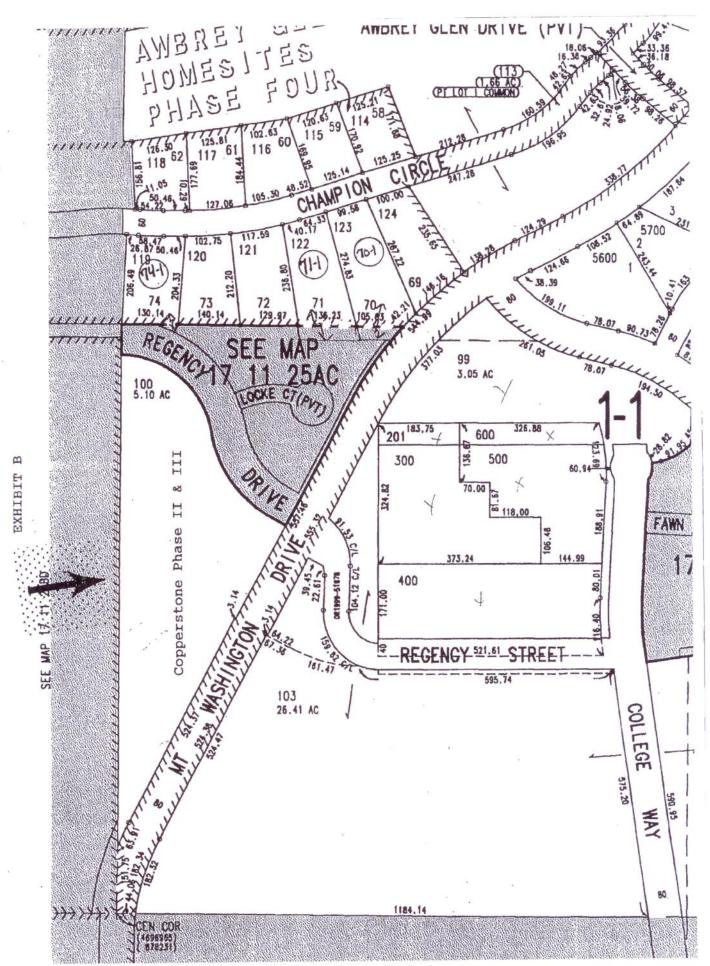


DESCRITES COUNTY SURVEYOR FRED 12 14 2001 BY: JAN BANK

LOCATED IN THE SOUTHWEST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 11 EAST, WILLAMSTIE MERIDIAN, CITY OF BEND, DESCRIUTES COUNTY, OREGON, OCTOBER, 2001



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# VOL: 2000 PAGE: 30721 RECORDED DOCUMENT

# STATE OF OREGON COUNTY OF DESCHUTES



\*2000-30721 \* Vol-Page

Printed: 08/02/2000 11:36:03

# DO NOT REMOVE THIS CERTIFICATE

(This certificate constitutes a part of the original instrument in accordance with ORS 205.180(2). Removal of this certificate may invalidate this certificate and affect the admissibility of the original instrument into evidence in any legal proceeding.)

I hereby certify that the attached instrument was received and duly recorded in Deschutes County records:

DATE AND TIME:

Aug. 2, 2000; 11:09 a.m.

RECEIPT NO:

24111

DOCUMENT TYPE:

Covenants, Conditions &

Restrictions

FEE PAID:

\$56.00

NUMBER OF PAGES: 5

MARY SUE PENHOLLOW DESCHUTES COUNTY CLERK

Mary Dur Penkollow

56

2000-30721-1

Recorded by AmeriTitle as an accommodation only. No liability is accepted for the condition of title or for the validity, sufficiency, or effect of this document.

# SUPPLEMENTAL DECLARATION FOR AWBREY GLEN

WHEREAS by Declaration of Covenants, Conditions, and Restrictions for

Awbrey Glen dated July 8, 1992, recorded August 4, 1992, in Book No. 272, Page No. 1979 as

document number 92-25570, the official records of Deschutes County, Oregon (such Declaration
and all amendments and supplements thereto are hereinafter referred to as the "Declaration"),

Brooks Resources Corporation (hereinafter referred to as "Declarant"), submitted certain

property known as Awbrey Glen to the provisions of the Declaration, and

WHEREAS the Declaration provides for the annexation of additional property to Awbrey Glen, and

WHEREAS Declarant desires to annex to Awbrey Glen the property described on Exhibit A attached hereto, together with that portion of the extension of Regency Drive which attaches to such property upon the vacation of the extension of Regency Drive (the "Annexed Property"),

NOW, THEREFORE, it is declared as follows:

# Section 1. Definitions.

The capitalized terms used herein shall have the same meanings assigned to those terms as set forth in the Declaration.

# Section 2. Annexation of Property.

The Annexed Property is hereby subjected to the provisions of the Declaration and annexed to Awbrey Glen.

Section 3. Use.

r recording, return to

15 OREGON AVENUE, BEND

All Lots included in the Annexed Property shall be single family Homesites.

061760-0037/080100/PDXDOCS.1100604 3

131

# Section 4. Common Area.

Any land designated as Common Area on the plat covering the Annexed Property, when such plat is recorded, shall be regarded as Annexed Property Common Area rather than Common Area as defined in the Declaration. Annexed Property Common Area shall be for the use in common of Owners of Homesites in the Annexed Property. The cost of maintaining Annexed Property Common Area shall be paid by the Owners of Homesites within the Annexed Property. Upon formation of a subassociation made up of the Owners of Homesites within the Annexed Property, Declarant shall convey the Annexed Property Common Area to such subassociation or to the Association as determined by Declarant.

# Section 5. Incorporation by Reference.

Except as otherwise set forth herein, the provisions of the Declaration are hereby incorporated by reference.

**BROOKS RESOURCES CORPORATION** 

By: ME. School

Kirk E. Schueler, President

2000-30721-3

STATE OF OREGON	)
COUNTY OF DESCHUTES	) SS )
This instrument was act 2000, by Kuls E Schuele of Brooks Resources Corporation.	knowledged before me on <u>august</u> 1  as <u>bendert</u>
	Notary Public for Oregon
OFFICIAL SEAL KATHLEEN RESTIVO NOTARY PUBLIC-OREGON COMMISSION NO. 335098 MY COMMISSION EXPIRES JULY 29, 2004	My commission expires: $7-29,2004$

2000 - 30721-4

# EXHIBIT A TO SUPPLEMENTAL DECLARATION TO AWBREY GLEN

### EXHIBIT "A"

A parcel of land located in the Northeast One-quarter (NE1/4) of Section Twenty-five (25), Township Seventeen (17) South, Range Eleven (11), East of the Willamette Meridian, Deschutes County, Oregon, being more particularly described as follows:

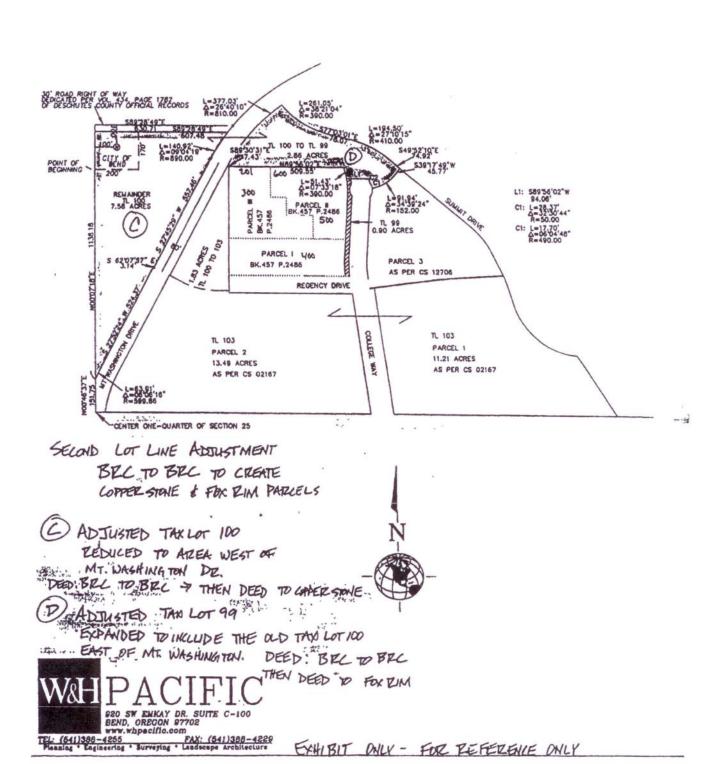
A portion of the Southwest One-quarter of the Northeast One-quarter (SW1/4NE1/4) of said Section 25 lying Northwesterly of Mt. Washington Drive and South of a 30 foot-wide strip of land lying South and parallel with East-West centerline of the NE1/4 of said Section 25.

TOGETHER WITH that portion of the extension of Regency Drive which attaches to such property upon the vacation of the extension of Regency Drive (the "Annexed Property")

2000-30721-5

# EXHIBIT MAP

NORTHEAST 1/4 -OF SECTION 25
TOWNSHIP 17 SOUTH, RANGE 11 EAST, WILLAMETTE MERIDIAN CITY OF BEND, DESCHUTES COUNTY, OREGON



DESCHUTES COUNTY OFFICIAL RECORDS NANCY BLANKENSHIP, COUNTY CLERK

2003-21233



\$41.00

**DESCHUTES COUNTY CLERK CERTIFICATE PAGE** 



This page must be included if document is re-recorded. Do Not remove from original document.

# SUPPLEMENTAL DECLARATION TO THE DECLARATION OF COPPERSTONE TOWNHOMES AT AWBREY GLEN

THIS SUPPLEMENTAL DECLARATION is made this 27<sup>th</sup> day of March, 2003, by Copperstone Associates, L.L.C., an Oregon limited liability company ("Declarant").

WHEREAS Declarant previously recorded that Declaration of CopperStone Townhomes at Awbrey Glen ("CopperStone") as of June 13, 2002, which Declaration covered and pertained to Phase I of CopperStone; and

WHEREAS Article 2 of the Declaration provides for the annexation of certain additional property to CopperStone, and, further, provides that such annexed property, upon recordation of a Supplemental Declaration, "thereby become a part of CopperStone and subject to this Declaration, and the Declarant and the Association shall have and shall accept and exercise administration of this Declaration with respect to such property;"

# NOW, THEREFORE,

- 1.0 Declarant hereby affixes its signature to this Supplemental Declaration and, upon recordation hereof, annexes that property described in Exhibit A, attached, to CopperStone, and provides that such annexed property shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to this Declaration.
  - 2.0 This annexed property shall be known and referred to as CopperStone, Phase II.
  - 3.0 Section 12.10(a) shall be amended to read:

Addresses. All notices and other communications under this Declaration shall be given to the parties hereto at the following addresses:

- (i) If to an Owner, then to the last address for such Owner shown in the Association's records.
  - (ii) If to Declarant or to the Association, then to Declarant or the Association at:

Copperstone Associates, L.L.C. 250 N.W. Franklin Avenue, Suite 204 Bend, Oregon 97701 Attn: Stephen John Robertson

4.0 All other terms and conditions of the Declaration shall remain unchanged and in full force and effect.

Iga VEZE MENNISONIC ASO AL.W. FRANKLIN DOY BEND, DE 97701 160341-0006/032503

137

160341-0006/032503/PDXDOCS:1207544.3

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration the date first above written.

COPPERSTONE ASSOCIATES, L.L.C
By: PENNBROOK HOMES, INC., Manager

Stephen John Robertson, President

STATE OF OREGON ) SS COUNTY OF DESCHUTES )

This instrument was acknowledged before me on March 22, 2003, by Stephen John Robertson as President of Pennbrook Homes Inc., Manager of Copperstone Associates, L.L.C.

Notary Public for Oregon

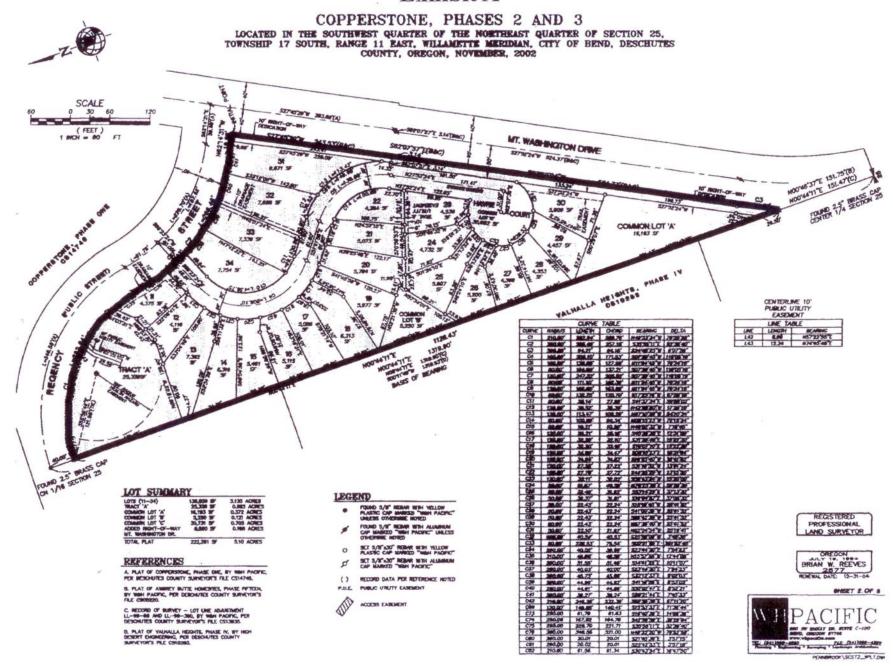
My commission expires: Sed . 23,2006

OFFICIAL SEAL LAURA L GORDON NOTARY PUBLIC-OREGON COMMISSION NO. 361512 MY COMMISSION EXPIRES SEP. 23, 2006



160341-0006/032503/PDXDOCS:1207544.3

# Exhibit A



139

DESCHUTES COUNTY OFFICIAL RECORDS MARY SUE PENHOLLOW, COUNTY CLERK

2002-33393

06/20/2002 11:11:25 AM

\$81.00

D-PCB Cnt=1 Stn=3 PAM \$55.00 \$11.00 \$10.00 \$5.00

# **DESCHUTES COUNTY CLERK CERTIFICATE PAGE**



This page must be included if document is re-recorded. Do Not remove from original document. After Recording Return To: Copperstone Associates, LLC 869 NW Wall St. suite 204 Bend, OR 97701

# BYLAWS OF COPPERSTONE HOMEOWNERS ASSOCIATION, INC.

A PLANNED COMMUNITY

The following bylaws have been adopted at the organization meeting of CopperStone Homeowners Association, Inc.

# ARTICLE I Definitions

As used in these bylaws, the terms set forth below shall have the following meanings:

Section 1. "CopperStone" means the property subject to the Declaration referred to in Section 4.

Section 2. "Corporation" means CopperStone Homeowners Association, Inc.

Section 3. "Declarant" means Copperstone Associates, L.L.C., any person who succeeds to any special Declarant right and to whom all of the Declarant's ownership interest in CopperStone is transferred, or any person, other than the Corporation, to whom the Declarant has transferred, for purposes of resale, all of Declarant's ownership interest in CopperStone.

Section 4. "Declaration" means the Declaration of CopperStone Townhomes at Awbrey Glen dated June 13, 2002.

Section 5. <u>"Lot"</u> means a platted or legal partitioned lot within <u>CopperStone</u> or any property so designated in any Supplemental Declaration annexing such property to <u>CopperStone</u> but not including any Common Area as defined in the Declaration.

Section 6. "Owner" means the person or persons owning any Living Unit, including any vendee under a recorded land sales contract to whom possession has passed, but excluding any vendor under a recorded land sales contract who has given up possession.

# ARTICLE II Offices

The principal office of the Corporation in the state of Oregon shall be located in the city of Bend, county of Deschutes. The Corporation may have other offices, either within or outside of the state of Oregon, as the board of directors may determine or as the affairs of the Corporation may require.

The Corporation shall have and maintain in the state of Oregon a registered office and a registered agent whose office is identical with the registered office, as required by the Oregon Nonprofit Corporation Act. The registered office may be, but need not be, identical with the principal office in the state of Oregon, and the address of the registered office may be changed from time to time by the board of directors.

# ARTICLE III Members

Section 1. <u>Class of Members</u>. The Corporation shall have two classes of members. The designation of the classes and the qualifications and rights of the members of the classes shall be as hereinafter set forth.

Section 2. Membership. Every Owner of one or more Living Units within CopperStone shall, during the entire period of such Owner's ownership of one or more Living Units within CopperStone, be a member of the Corporation. Such membership shall commence, exist, and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

Section 3. <u>Voting Rights.</u> Voting rights within the Corporation shall be allocated as follows:

- (a) <u>Living Units</u> Except as provided in Section 3(b) with respect to Class B members, Living Units shall be allocated one vote per Living Unit.
- (b) <u>Classes of Voting Membership.</u> The Corporation shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant (except that beginning on the date on which the Class B membership is converted to Class A membership, and thereafter, Class A members shall be all Owners including the Declarant). Class A members shall be entitled to voting rights for each Living Unit owned computed in accordance with Section 3(a) above. When more than one person holds an interest in any Living Unit, all such persons shall be members. The vote for such Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Living Unit.

Class B. The Class B member shall be Declarant and shall be entitled to three times the voting rights computed under Section 3(b) for each Lot owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (i) When Living Units on seventy-five percent (75%) of the Lots in CopperStone have been sold and conveyed to Owners other than Declarant; or
- (ii) At such earlier time as Declarant may elect in writing to terminate Class B membership.
- (iii) Upon the expiration of seven years from the date of the Declaration.

Section 4. <u>Suspension of Voting Rights.</u> Voting rights may be suspended in the event of a default in the payment of assessments as provided in the Declaration.

# ARTICLE IV Meetings of Members

Section 1. Annual Meeting. An annual meeting of the members shall be held on the first Saturday in March of each year unless otherwise set by the Board of Directors for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the state of Oregon, the meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated here for any annual meeting, or at any adjournment of the annual meeting, the board of directors shall cause the election to be held at a special meeting of the members as soon after as is convenient.

Section 2. <u>Special Meetings.</u> Special meetings of the members may be called by the president, a majority of the board of directors, or members having not less than 20 percent of the total voting rights.

Section 3. <u>Place of Meeting</u>. The board of directors may designate any place within the state of Oregon as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation in the state of Oregon.

Section 4. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten nor more than 50 days before the date of such meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. Each notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or bylaws, any budget changes, or any proposal to remove a director or officer. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid. Notice shall also be given to all mortgagees requesting such notice. Mortgagees may designate a representative to attend a meeting called under this section.

Section 5. <u>Informal Action by Members</u>. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting out the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter of the action.

Section 6. Quorum. The members holding 20 percent of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting without further notice.

Section 7. <u>Proxies.</u> At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his authorized attorney in fact. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

Section 8. <u>Voting by Mail.</u> Where directors or officers are to be elected by members or any class or classes of members the election may be conducted by mail in the manner provided in the Oregon Nonprofit Corporation Act.

# ARTICLE V Transition

Section 1. Interim Board; Turnover Meeting. Declarant shall have the right to appoint an interim board of three directors or more, who shall serve as the board of directors of the Corporation until replaced by Declarant or their successors have been elected by the members at the turnover meeting described in this section. Declarant shall call a meeting by giving notice to each member as provided in the Declaration. If Declarant does not call a meeting required by this section within the required time, the Transitional Advisory Committee described in Section 2 below or any member may call a meeting and give notice as required in this section. At the turnover meeting, the interim directors shall resign and their successors shall be elected by the members and Declarant as provided in the Declaration and these Bylaws.

Section 2. <u>Transitional Advisory Committee</u>. Declarant or the members shall form a transitional advisory committee (the "Transitional Advisory Committee") to provide for the transition from administrative responsibility by Declarant of <u>CopperStone</u> to administrative responsibility by the Corporation in accordance with the procedure specified in the Declaration. Not later than the sixtieth (60th) day after the Declarant has conveyed to members other than Declarant Living Units on fifty percent (50%) of the Lots in <u>CopperStone</u>, Declarant shall call a meeting of members for the purpose of selecting the Transitional Advisory Committee. The Transitional Advisory Committee shall consist of three or more persons. The members, other than Declarant, shall select two or more members. Declarant may select no more than one committee member.

- (a) <u>Declarant Failure to Call Meeting</u>. A member may call a meeting of members to select the Transitional Advisory Committee if the Declarant fails to do so as provided above.
- (b) Members' Failure to Select Committee Members. Notwithstanding the foregoing, if the members do not select members for the Transitional Advisory Committee as described above, Declarant shall have no further obligation to form the Transitional Advisory Committee.
- (c) <u>Turnover Meeting.</u> The requirement for formation of a Transitional Advisory Committee shall not apply once the turnover meeting specified in Section 1 above has been held.
- Section 3. <u>Declarant Control After Turnover</u>. After the turnover meeting described in Section 1 above, Declarant shall continue to have the voting rights described in

Article III Section 3(b). In addition, a majority of the board of directors of the Corporation shall be elected by Declarant, as Class B member, with the balance of the board of directors elected by the Class A members. After termination of Class B membership, all directors shall be elected by the Class A members.

# ARTICLE VI Board of Directors

Section 1. <u>General Powers</u>. The affairs of the Corporation shall be managed by its board of directors. Except for directors appointed by Declarant, directors shall be members of the Corporation.

Section 2. <u>Number. Tenure and Qualifications</u>. The number of directors shall be five. One of the initial directors shall hold office for a term of one year, two of the initial directors shall hold office for a term of two years, and two of the initial directors shall hold office for a term of three years. Thereafter, each director shall hold office for a term of three years and until his successor shall have been elected and qualified.

Section 3. <u>Regular Meetings.</u> A regular annual meeting of the board of directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide by resolution the time and place, within the state of Oregon, for the holding of additional regular meetings of the board without other notice than the resolution. All regular and special meetings of the board of directors shall be open to members.

Section 4. <u>Special Meetings.</u> Special meetings of the board of directors may be called by or at the request of the president or any two directors. The persons authorized to call special meetings of the board may fix any place within the state of Oregon as the place for holding any special meeting of the board called by them.

Section 5. Notice. Notice of any special meeting of the board of directors shall be given at least three days previously by written notice delivered personally or sent by mail or telegram to each director at the director's address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, it shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Section 6. Quorum. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board; but if less than a majority of the directors are present at the meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law or by these bylaws.

Section 8. <u>Vacancies</u>. Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors, shall be filled by the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. <u>Compensation</u>. Directors as such shall not receive any stated salaries for their services.

Section 10. <u>Informal Action by Directors</u>. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting out the action so taken, shall be signed by all of the directors.

Section 11. <u>Emergency Meetings</u>. Emergency meetings of the board of directors may be held without notice if the reason for the emergency is stated in the minutes of the meeting. Only emergency meetings of the board of directors may be conducted by telephonic communication.

Section 12. <u>Directors May Engage Manager</u>. The board of directors may retain the services of an individual or firm to act as Manager or Managing Agent and may employ, or instruct such Manager or Managing Agent to employ, such other persons as may be necessary from time to time for the maintenance, upkeep, and repair of the common elements, landscaping, and exterior of Buildings.

# ARTICLE VII Officers

Section 1. Officers. The officers of the Corporation shall be a president, one or more vice presidents (the number to be determined by the board of directors), a secretary, a treasurer, and such other officers as may be elected in accordance with the provisions of this Article VII. The board of directors may elect or appoint the other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, to have the authority and perform the duties prescribed by the board of directors. Any two or more offices may be held by the same person.

Section 2. <u>Election and Term of Office</u>. The officers of the Corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, it shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the

Corporation would be served by his or her removal, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. <u>Vacancies.</u> A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the board of directors for the unexpired portion of the term.

Section 5. <u>President.</u> The president shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He or she shall preside as chairman at all meetings of the members and of the board of directors. He or she may sign, with the secretary or any other proper officer of the Corporation authorized by the board of directors, any deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution shall be expressly delegated by the board of directors or by these bylaws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors.

Section 6. <u>Vice President.</u> In the absence of the president or in the event of his inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice presidents in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice president shall perform such other duties as may be assigned to him by the president or by the board of directors.

Section 7. Treasurer. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety as the board of directors shall determine. The treasurer or the manager or accountants for the Corporation under the supervision of the Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source, and deposit all such moneys in the name of the Corporation in such banks or other depositaries as shall be selected in accordance with the provisions of Article VIII of these bylaws; and in general perform all the duties incident to the office of treasurer and such other duties as may be assigned to him by the president or by the board of directors.

Section 8. Secretary. The secretary or the manager under the secretary's supervision shall keep the minutes of the meetings of the members and of the board of directors in books provided for that purpose; see that all notice are given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records of the Corporation; keep a register of the post office address of each member which shall be furnished to the secretary by that member; and in general perform all duties incident to the office of secretary and such other duties as may be assigned by the president or by the board of directors.

Section 9. <u>Assistant Treasurers and Assistant Secretaries</u>. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine. The

assistant treasurers and assistant secretaries, in general, shall perform the duties assigned to them by the treasurer or the secretary or by the president or the board of directors.

# ARTICLE VIII Contracts, Checks, Deposits, and Funds

Section 1. <u>Contracts.</u> The board of directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. <u>Checks, Drafts, Etc.</u> All checks, drafts, vouchers, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by those officers or agents of the Corporation and in a manner as shall be determined by resolution of the board of directors. In the absence of this determination by the board of directors, the instruments shall be singed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Corporation.

Section 3. <u>Deposits.</u> All funds of the Corporation shall be deposited to the credit of the Corporation in the banks or other depositaries as the board of directors may select. All assessments shall be deposited in a separate bank account in the name of the Corporation.

Section 4. <u>Gifts.</u> The board of directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

Section 5. <u>Budget.</u> At least annually the board of directors shall adopt a budget in accordance with ORS 94.6451.

# ARTICLE IX Books and Records

Section 1. Maintenance of Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his agent or attorney or the mortgagee of any Living Unit for any proper purpose at any reasonable time.

Section 2. <u>Distribution of Financial Statements</u>. Within 90 days after the end of each fiscal year, the board of directors shall distribute to each member and, upon written request, any mortgagee of a Living Unit, a copy of the annual financial statement for the Corporation consisting of a balance sheet and income and expense statement for the preceding fiscal year.

# ARTICLE X Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

# ARTICLE XI Assessments

The Corporation shall have the authority to impose and collect assessments as provided in Article 10 of the Declaration.

# ARTICLE XII Maintenance

The Corporation, through the board of directors, shall be responsible for maintenance upon the Common Areas, landscaping of Lots, and for exterior maintenance and repair of Buildings within <u>CopperStone</u> as provided in Article 9 of the Declaration. The cost of maintenance shall be paid through assessments provided for in Article 10 of the Declaration. The board of directors shall have authority to employ personnel at the expense of the Corporation necessary for the maintenance, upkeep, and repair.

# ARTICLE XIII Rules and Regulations

Rules and regulations permitted pursuant to Section 8.5 of the Declaration may be adopted by majority vote of the board of directors after notice to the members as required by Article VI Section 5.

# ARTICLE XIV Annexation

If additional property is annexed to <u>CopperStone</u> during a fiscal year, common expenses will be apportioned as provided in the Declaration on the basis of the remaining fraction of the fiscal year during which the property annexed is incorporated into <u>CopperStone</u>.

# ARTICLE XV Waiver of Notice

Whenever any notice is required to be given under the provisions of the Oregon Nonprofit Corporation Act or under the provisions of the articles of incorporation or the bylaws of the Corporation, a waiver in writing signed by the persons entitled to the notice, whether before or after the time stated there, shall be deemed equivalent to the giving of notice.

# ARTICLE XVI Amendments to Bylaws

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority vote of the members; provided that no rights of Declarant under these bylaws may be restricted or terminated without Declarant's written consent.

The foregoing Bylaws for Copperstone Homeowners Association, Inc. were duly adopted on the  $18^{th}$  day of June, 2002.

PENNBROOK HOMES, INC., Manager

By: Donald N. Bauhofer, CEO

STATE OF OREGON )

) SS

COUNTY OF Deschutes

The foregoing instrument was acknowledged before me on this 18 day of June, 2002, by Donald N. Bauhofer, who is the CEO of Pennbrook Homes, Inc..

Saith Couchles

My Commission Expires:

4.13.03

OFFICIAL SEAL

MARTHA ANN DEUCHLER

NOTARY PUBLIC - OREGON

COMMISSION NO. 321999

MY COMMISSION EXPIRES APR 13, 2003

Send Tax Statements to: After recording Return To: The Awbrey Glen Homeowners Association 1183 NW Wall Street Suite "G" Bend, OR 97701 DESCHUTES COUNTY OFFICIAL RECORDS NANCY BLANKENSHIP, COUNTY CLERK

00603683200800118360010017

\$31.00

03/14/2008 02:17:21 PM

OFFICIAL SEAL STACEY FOEHRKOLB

NOTARY PUBLIC- OREGON COMMISSION NO. 398797 Y COMMISSION EXPIRES OCT 25, 200

D-D Cnt=1 Stn=30 CLERK \$5.00 \$11.00 \$10.00 \$5.00

# BARGAIN AND SALE DEED

COPPERSTONE HOMEOWNER'S ASSSOCIATION Inc, Grantor, convey to AWBREY GLEN HOMEOWNERS ASSOCIATION, Grantee, the following described real property.

Common Area B of COPPERSTONE, PHASE ONE, (actually known as the private street noted on the recorded Copperstone plat map as LOCKE COURT) City of Bend, Deschutes County, Oregon.

Common Area C of COPPERSTONE, PHASE 2 AND 3, (actually known as the private street noted on the recorded Copperstone map plat as HAVRE COURT) City of Bend, Deschutes County, Oregon.

The consideration given for this conveyance is the sum of \$10.00 TEN DOLLARS and other good and valuable considerations, in hand paid.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQURING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OF COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352

DATED: 14Th day of March 2008

GRANTOR:

COPPERSTONE HOMEOWNER'S ASSOCIATION Inc.

Dennis M. Sienko - President

Gay Kirklin - Secretary

STATE OF OREGON

County of Deschutes

The foregoing instrument was acknowledged before me this <u>Harch</u> day of <u>March</u> 2008, by Dennis M. Sienko – President and Gay Kirklin – Secretary of the CopperStone Homeowners Association Inc.

Witness my hand and official seal.

My Commission expires Ot Holer 25,2009

NOTARY PUBLIC FOR OREGON