DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE GREENS AT SPRINGBROOK
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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE GREENS AT SPRINGBROOK

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE GREENS AT SPRINGBROOK ("Declaration") is made this ___ day of ___ , 2005 by D.R. Horton, Inc.-Portland, a Delaware Corporation and The Greens at Springbrook, LLC, collectively as the ("Declarant").

WHEREAS, the Declarant is the owner, or controls, all that certain real property and improvements thereon located in the City of Newberg, County of Yamhill, State of Oregon, described in, incorporated herein by reference, and also referred to as The Greens at Springbrook ("Plat"), recorded concurrently with this Declaration.; and

WHEREAS, Declarant intends to develop the Property as a Class I planned development subject to the provisions of the Oregon Planned Community Act, ORS 94.550 to 94.783, and to establish the planned community project of The Greens at Springbrook. Declarant desires to impose these mutually beneficial covenants, conditions, restrictions, easements, assessments and liens on the Property under a comprehensive general plan of improvement and development for the benefit of all of the Owners, the Lots and Common Area within the Property; and

WHEREAS, Declarant has deemed it desirable for the preservation of the values and amenities within the Property to create a Homeowners Association, to which will be delegated and assigned the powers and authority to own, maintain and administer the Association and the Common Area and facilities, and administer and enforce the covenants, conditions, and restrictions of this Declaration, and collect and disburse the assessments and charges hereinafter created.

NOW THEREFORE, the Declarant declares that the Property shall be held, transferred, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens, or as noted herein, which shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of the Association and of each Lot Owner.
ARTICLE 1

DEFINITIONS

1.1. "Architectural Review Committee" or "ARC" shall mean the Declarant until Turnover Meeting and thereafter shall refer to the Board of Directors unless the Board has appointed a separate body to carry out the functions described in Article 6 in which case "ARC" shall refer to this body.

1.2. "Articles" shall mean the Articles of Incorporation for the non-profit corporation, The Greens at Springbrook Homeowners Association, or such similar name approved by and which have been or shall be filed by Declarant with the Oregon Corporation Commissioner on or prior to conveyance of the first Lot to an Owner other than Declarant.

1.3. "Association" shall mean and refer to The Greens at Springbrook Homeowners Association, its successors and assigns.

1.4. "The Greens at Springbrook" shall mean the real property and all Common Areas described on the recorded Plat for the Property, as well as any annexations of additional lands.

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

1.6. "Bylaws" shall mean and refer to the Bylaws of the Association, which have been or shall be recorded as required by Oregon law, which have been or shall be recorded by Declarant on or prior to conveyance of the first Lot to an Owner other than Declarant as required by Oregon law.

1.7. "Common Area" shall mean and refer to any areas of land shown on the recorded Plat, including any improvements thereon, which are intended to be devoted to the common use and enjoyment of the Members of the Association, and areas outlined herein as the maintenance responsibility of the Association, including but not limited to Tracts ‘A’ & ‘C’ as shown on the Plat.

1.8. "Declarant" shall mean and refer to D.R. Horton, Inc.-Portland, a Delaware Corporation and The Greens at Springbrook, LLC, collectively, its successors or assigns, or any successor or assign to all remainder of their interests in the development of the Property. All successors to Declarant shall have the same rights and interest as the initial Declarant. “Declarant” shall not refer to any other subsequent purchaser of a Lot or Home.
1.9. "Declaration" shall mean the covenants, conditions, restrictions, and all other provisions set forth in this Declaration of Covenants, Conditions and Restrictions for the Property.

1.10. "General Common Expenses" shall mean those Common Area expenses incurred by the Association for the benefit of all of the Owners of the Lots within the Property. Such definition shall also apply to the words "Common Expenses" as used in this Declaration.

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

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

1.13. "Lot" shall mean and refer to any plot of land indicated upon the recorded Plat of the Property or any part thereof creating individual Home sites, including any annexations to the Plat. These do not include Common Areas and areas deeded to a government authority or utility.

1.14. "Lot Easement Area" shall mean and refer to those portions of any Lot subject to any easement benefiting the Association.

1.15. "Members" shall mean and refer to the Owners of Lots within the Property who are Members of the Association.

1.16. "Occupant" shall mean and refer to the occupant of a Home who shall be the Owner, lessee or any other person authorized by the Owner to occupy the premises.

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

1.18. "Plat" shall mean and refer to the recorded Plat of The Greens at Springbrook and any annexations to the original Plat.

1.19. "Property" shall mean and refer to all real property described on the Plat, and any annexations of additional property, including the Common Area Tracts,
and all improvements located on the real property, as may be brought within the jurisdiction of the Association and be made subject to this Declaration.

1.20. “Rules and Regulations” shall mean and refer to the documents containing rules and regulations and policies adopted by the Board of the Association or the Architectural Review Committee ("ARC") and as may be from time to time amended by the Board and/or ARC.

1.21. “Tract” shall mean a parcel of land shown on the Plat and denoted by the word “Tract”.

1.22. “Turnover Meeting” shall be the meeting called by the Declarant to turn over control of the Association to the Class A members.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION

2.1. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the City of Newberg, County of Yamhill, Oregon, in that certain Plat entitled The Greens at Springbrook filed in the plat records of Yamhill County, Oregon, more particularly described as Lots 1 through 52, of The Greens at Springbrook.

2.2. The Declarant may, at its sole option, annex additional property into the Association to be subject to the terms hereof to the same extent as if originally included herein and subject to such other terms, covenants, conditions, easements and restrictions as may be imposed thereon by Declarant. Declarant currently anticipates that there will be a total of approximately 295 Lots in the subdivision, including the Lots on this Plat, and Lots expected to be created in property to be annexed to the subdivision, but this number may be adjusted at the sole discretion of Declarant.

(a). **Eligible Property.** There is no limitation on the number of Lots which Declarant may annex to the Property, or the right of Declarant to annex common property, except as may be established by applicable ordinances, agreements, or land use approvals.

(b). **Consent or Joinder Not Required.** No consent or joinder of any Class A member as defined in this Declaration or other party except the record owner of the land being annexed shall be necessary to effect any annexation made pursuant to this Article.
(c). **Declaration of Annexation.** Annexation shall be evidenced by a written Declaration of Annexation executed by the Declarant, or (in the case of an annexation by action of members) by the Board and the owners of the property being annexed, setting forth the legal description of the property being annexed and any additional covenants, conditions and restrictions to be applied to such annexed property. Notwithstanding any provision apparently to the contrary, a declaration with respect to any annexed property may:

(i). establish such new land classifications and such limitations, uses, restrictions, covenants and conditions with respect thereto as Declarant may deem to be appropriate for the development of the annexed property;

(ii). with respect to existing land classifications, establish additional or different limitations, uses, restrictions, covenants and conditions with respect thereto as Declarant may deem to be appropriate for the development of such annexed property; and/or

(iii). contain provisions necessary or appropriate to comply with any condition, requirement, or imposition of any governmental or regulatory authority.

Without limitation of the meaning of the foregoing provisions of this Section, in any Declaration of Annexation the Declarant may, but shall not be obligated to, establish different Types of Lots and have particular rights and obligations pertain to different Types of Lots, establish easements particular to different Lots, establish assessments that pertain only to certain Types of Lots, establish maintenance obligations of the Association or of Owners that vary in accordance with different Types of Lots or different tracts of Common Area, establish insurance and casualty provisions that relate to certain Types of Lots and not others, and establish limited Common Areas that benefit particular Lots to the exclusions of other Lots and provisions particular to such limited Common Areas.

(d). **Voting Rights; Allocation of Assessments.** Upon annexation, additional lots so annexed shall be entitled to voting rights and shall be responsible for payments or assessments as required for that fiscal year. At the beginning of the next fiscal year, assessments shall be reallocated and reapportioned equally based on the total number of lots following such annexations.
(e). **No Duty to Annex.** Nothing herein contained shall establish any duty or obligation on the part of the Declarant or any member to annex any property into the Association and no owner of property excluded from the Association shall have any right to have such property annexed thereto.

**ARTICLE 3**

**OWNERSHIP AND EASEMENTS**

3.1. **Non-Severability.** The interest of each Owner in the use and benefit of the Common Area shall be appurtenant to the Lot owned by the Owner. No Lot shall be conveyed by the Owner separately from the interest in the Common Area, subject to the provisions of Article 3.3. Any conveyance of any Lot shall automatically transfer the right to use the Common Area without the necessity of express reference in the instrument of conveyance. There shall be no judicial partition of the Common Area. Each Owner, whether by deed, gift, devise or operation of law, for his own benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interests and causes of action for judicial partition of any interest in the Common Area and does further agree that no action for judicial partition shall be instituted, prosecuted or reduced to judgment. The ownership interest in the Common Area and Lots described in this Article are subject to the easements granted and reserved in this Declaration. Each of the easements reserved or granted herein shall be deemed to be established upon the recordation of this Declaration and shall forever be deemed to be covenants running with the land for the use and benefit of the Owners and their Lots and shall be superior to all other encumbrances applied against or in favor of any portion of the Property.

3.2. **Ownership of Lots.** Title to each Lot within the Property shall be conveyed in fee to an Owner. If more than one person and/or entity owns an undivided interest in the same Lot, such person and/or entities shall constitute one Owner. No Lot shall be divided or combined with any other Lot without the prior written approval of the ARC, and of the Declarant so long as Declarant owns any Lot.

3.3. **Ownership of Common Areas.** Title to the Common Area shall be conveyed to the Association not later than sixty (60) days after eighty percent (80%) of the Lots have been conveyed from the Declarant to Owners other than Declarant successors or assigns, or seven years from the date this Declaration is recorded, whichever is earlier. The Declarant or the Board of Directors may convey title to any present or future Common Area Tract(s), if any, to a City, County or other Government agency.
3.4. **Easements.** Individual deeds to Lots may, but shall not be required to, set forth the easements specified in this Article.

(a) **Easements on Plat.** The Common Area and Lots are subject to the easements and rights of way shown on, or noted, on the Plat.

(b) **Easements for Common Area.** Every Owner shall have a non-exclusive right and easement of use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot.

(c) **Easements Reserved by Declarant.** So long as Declarant owns any Lot, Declarant reserves an easement over, under and across the Common Areas in order to carry out sales activities necessary or convenient for the sale of Lots. In addition, Declarant hereby reserves to itself, and for its successors and assigns, a perpetual easement and right-of-way for access over, upon and across the Common Areas for construction, utilities, communication lines, drainage, and ingress and egress for the benefit of the Lots or other property owned by Declarant. Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress over, in, upon, under and across the Common Area and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incident to the construction of the improvements on the Property or other real property owned by Declarant in such a way as to not unreasonably interfere with the occupancy, use, enjoyment or access to an Owner’s Lot by that Owner or his/her/their family, tenants, guests or invitees. Further, the Declarant reserves the right to install and maintain landscape improvements and hereby reserves a landscape maintenance easement on any Lot(s) or Common Area as Declarant deems necessary for sales and marketing purposes. Declarant is not obligated to provide any landscaping in said areas noted in this Article.

(d) **Additional Easements.** Notwithstanding anything expressed or implied to the contrary, this Declaration shall be subject to all easements granted by Declarant for the installation and maintenance of utilities and drainage facilities necessary for the development of the Property. No structure, planting or other material shall be placed or permitted to remain within any easement area which may damage or interfere with the installation or maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow or water through drainage channels in the easements. The easement area of each Lot and all improvements thereon shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority, utility company or the Association is responsible.
(e) **Association’s Easements.** There are hereby reserved to the Association and its duly authorized agents and representatives such easements as are necessary to perform the duties and obligations of the Association set forth in this Declaration, the Bylaws and Articles, as the same may be amended or supplemented.

(i) **Entry Monument and Streetscape.** The Association reserves an easement and, except as otherwise provided in this Declaration, shall pay for maintenance, upkeep and replacement of all entry and streetscape easement area improvements including, but not limited to, drainage systems, landscape, utilities, irrigation, water feature, gates, fencing, logos, and cultured stone walls/monuments. The aforementioned entry and streetscape easement area generally includes landscape planter strips, the center median island, and accompanying Tracts along approximately 275 lineal feet of the west side of The Greens Avenue beginning at Fernwood Road and approximately 100 lineal feet on the east side of The Greens Avenue beginning at Fernwood Road. This easement also includes approximately 620 lineal feet of planter strip, fencing and buffer landscaping, along the north side of Fernwood Road (approximately 310 lineal feet on each side of The Greens Avenue intersection).

(ii) **Common Area Tracts.** The Association reserves an easement and, except as otherwise provided in this Declaration, shall pay for maintenance, upkeep and replacement of any improvements including, but not limited to landscape, irrigation, hard surfaces, curbs, walls, utilities, and related improvements within the boundaries of Tracts ‘A’ and ‘C’. The aforementioned Tracts are subject to the easements and rights of way as shown on the Plat.

(iii) **Private Storm Sewer Easement.** Lots 40, 42 and 43 are subject to a Private Storm Sewer Easement Benefiting Lots 42 and 43 as shown on the Plat. The Association reserves an easement and shall maintain the drainage systems within the aforementioned easement area.
(f) Easement to Governmental Entities. There is hereby reserved and granted a non-exclusive easement over the Common Area to all governmental and quasi-governmental entities, agencies, utilities, and their agents for the purposes of performing their duties within the Property.

(g) Conservation Easement. Lots 28, 29 and 30 are subject to a Conservation Easement recorded in the Yamhill County Records as document number 199825634. The aforementioned conservation easement is intended to preserve subject areas in their natural state. Minor improvements may be permitted in the easement area, subject to the easement beneficiary’s and ARC approval.

(h) Maintenance Obligations/Owner Restrictions. Except as otherwise provided in this Declaration, the Owner, at his/her expense, shall maintain, repair and replace the improvements and utility installations in any Lot Easement Area in a condition acceptable by the Board and shall hold the Association harmless from any such costs.

ARTICLE 4

LOTS AND HOMES

4.1. Residential Use. Lots shall be used for residential purposes only. Except with the consent of the Board of Directors of the Association, no trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any Lot, nor shall any goods, equipment, vehicles, materials or supplies used in connection with any trade, service or business be kept or stored on any Lot. Nothing in this paragraph shall be deemed to prohibit (a) activities relating to the sale of residences, (b) the right of Declarant or any contractor or homebuilder to construct residences on any Lot, to store construction materials and equipment on such Lots in the normal course of construction, to use any residence as a sales office or model home for purposes of sales, and to maintain on site a temporary construction office or trailer, and (c) the right of the Owner of a Lot to maintain his professional or personal library, keep his personal business or professional records or accounts, handle his personal business or professional telephone calls or confer with business or professional associates, clients or customers, in his residence, so long as such activity is not observable outside of the residence, does not significantly increase parking or vehicular traffic, or is in violation of applicable local government ordinances. The Board of Directors shall not approve commercial activities otherwise prohibited by this paragraph unless the Board determines that only normal residential activities would be observable outside of the residence and that the activities would not be in
violation of applicable local government ordinances, including the City of Newberg Home Occupation Standards.

4.2. **Construction.** Except for construction performed by or contracted for by Declarant, no construction, reconstruction or exterior alterations shall occur on any Lot, unless the approval of the ARC is first obtained pursuant to Article 6. Consideration such as siting or location on the Lot, shape, size, color, design, height, solar access, or material may be taken into account by the ARC in determining whether or not to consent to any proposed work. Such work includes, but is not limited to Homes, storage shelters, swimming pools, spas, landscaping, greenhouses, patios, fencing, basketball hoops or remodeling. The intent of this covenant is to ensure quality of workmanship and material, harmony of external design with the existing and planned structures as to location and visual compatibility and finish grade elevations. All construction must comply with the City Development Code and Building Code Standards. Original construction designs, materials and product specifications by Declarant may vary from any or all specified in this document. All construction performed by or contracted for by Declarant, shall be presumed to have met these minimum requirements or have been granted a variance thereto.

4.3. **Design Guidelines.** The following restrictions are minimum standards applicable to all Lots:

(a) **Height.** No Home shall exceed two (2) stories, excluding basement and/or garage levels, in height above the ground;

(b) **Floor Area.** The square footage area of a Home shall not be less than Nineteen Hundred (1900) square feet exclusive of attics, patios, decks, porches, balconies, roof overhangs, and garages;

(c) **Garages.** A garage must be constructed on each Lot. Garages may be used as a sales office by Declarant, but must be converted to a garage before permanent occupancy. Garages are to be maintained primarily for the storage of automobiles or similar vehicles. No garage may be enclosed or otherwise used for habitation, nor may any garage door be removed except when necessary to repair or replace a garage door with the same type of garage door.

(d) **Security Doors/Windows and Screen Doors.** No security doors and no exterior security bars or devices on windows and doors shall be installed without the prior written approval of the ARC. If the ARC approves any type security door or window security, such approval shall encourage or
require a single style for all Homes so they will maintain a uniform and aesthetic appearance.

4.4. **Completion of Construction.** The construction of any building on any Lot, including painting and all exterior finish, shall be completed within six (6) months from the beginning of the construction so as to present a finished appearance when viewed from any angle. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from the ARC. The Lot and building area shall be kept reasonably clean and in workmanlike order, free of litter, during the construction period with a garbage disposal facility located on site during such construction period. If construction has not commenced within three (3) months after the project has been approved by the ARC, the approval shall be deemed revoked unless the Owner has applied for and received an extension of time from the ARC. All provisions of this Article 4 shall exclude any construction by the Declarant.

4.5. **Improvements and Landscaping.** Except as otherwise provided in this Declaration, the Association shall pay for and maintain any improvements and landscaping associated with any maintenance easement held by the Association as described in Article 3.4, Section (e), above. Maintenance of all landscape on Lots, including street frontage landscaping is the Owner’s sole responsibility. Further, all street trees and Declarant installed rear yard trees as shown on Exhibit ‘A’, attached hereto, shall be preserved and maintained in good condition at all times by the Lot Owner and replaced if necessary. Replacement of any street trees or rear yard trees as shown on Exhibit ‘A’ shall be approved by the ARC and must be consistent with the City of Newberg Development Code regarding size and type. All landscaping and improvements on any Lot or Common Area shall be maintained and cared for in a manner consistent with the standard of design and quality as originally established by the Declarant or the ARC. Maintenance of landscape areas shall include, but not be limited to watering, weeding, pruning, fertilization, mowing and other forms of maintenance. All Lots and Common Areas shall be kept free of weeds and diseased or dead lawn, trees, ground cover or shrubs shall be promptly removed and replaced. All lawn areas shall be watered, fertilized and neatly mowed, and trees and shrubs shall be fertilized and neatly trimmed on a regular basis.

(a). Landscape installation on Lots by Owners is subject to approval by the ARC. All landscape on all Lots shall be completed no later than six (6) months after occupancy. No Owner may connect to any Association maintained irrigation system.

(b). All landscaping on Lots shall be maintained by Owners in good condition, including watering, weeding, pruning, fertilization, mowing
and other forms of maintenance. If Owner fails to maintain or repair Owner maintained areas, Declarant or the Board of Directors reserves the right to cause such maintenance and/or repair to be performed on behalf of Owner subject to Article 4.21.

(c). Declarant reserves the right to install and maintain landscape improvements on any Lot(s) or Common Area as describe in 3.4 (c) above.

4.6. **Rental of Homes.** An Owner shall be entitled to rent or lease his residence if:

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

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

(c) **Tenant Must Be Given Documents.** The Owner gives each tenant a copy of the Declaration, Bylaws and Rules and Regulations.

(d) **Owner Responsibility.** Owner shall be responsible for any violations by tenants and shall be solely responsible for either correcting or eliminating such violations, or getting tenant to do same.

4.7. **Animals.** No animals, livestock or poultry of any kind shall be raised, bred, kept or permitted within any Lot other than a reasonable number of domestic household pets which are not kept, bred or raised for commercial purposes and which are reasonably controlled so as not to be a nuisance. Any inconvenience, damage or unpleasantness caused by such pets, including noise, shall be the responsibility of the respective Owners thereof. No dogs shall be permitted to roam the Property unattended, and all dogs shall be kept on a leash while outside a Lot. It is the sole responsibility and requirement of any pet owner to immediately cleanup any pet waste deposited upon any Lot, Common Area, or Association maintained easement area. An Owner may be required to remove a pet from the property upon the receipt of the third notice in writing from the Association Board of Directors of violation any rule, regulation or restriction governing pets within the Property. A "reasonable number of domestic household pets" and the definition of "domestic household pets" shall be subject to rules adopted and approved by the Board in its sole discretion.
4.8. **Nuisance.** No noxious, harmful or offensive activities shall be carried on upon any Lot or Common Area, nor shall anything be done or placed on any Lot or Common Area which interferes with or jeopardizes the enjoyment, or which is a source of annoyance to the other Owners or Occupants.

4.9. **Parking.** Parking of boats, trailers, commercial vehicles, mobile homes, campers, other recreational vehicles or equipment regardless of weight shall not be allowed on any part of the Lot or Common Area except within a fenced area as approved by the ARC. All fencing must conform to subsection 4.13. Parking shall only be in garages or driveways if no portion of the vehicle overhangs the street, sidewalks or pathways. Garages shall be primarily used for vehicular parking and not solely for storage. In addition, parking of vehicles is prohibited on any public street, private street or Common Area within the Property if so designated as a “no parking” area.

4.10. **Vehicles in Disrepair.** No Owner shall permit any vehicle, which is not currently licensed or is in an extreme state of disrepair to be abandoned or to remain parked upon any Lot for a period in excess of forty-eight (48) hours, nor on a Common Area for any length of time. A vehicle shall be deemed in an “extreme state of disrepair” when the Board of Directors reasonably determines that its presence offends the Owners and Occupants. Should any Owner fail to remove such vehicle within five (5) days following the date on which the notice is mailed to him/her by the Association, the Association may have the vehicle removed from the Property and charge the expense of such removal to the Owner. All oil or grease on roadways and/or driveways shall be cleaned up immediately by Owner.

4.11. **Signs.** No signs shall be erected or maintained on any Lot except that not more than one “For Sale” sign placed by the Owner, Declarant or by a licensed real estate agent, not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any Lot, subject to the provisions of Article 9.2 below. The restrictions contained in this paragraph shall not prohibit the temporary placement of “political” signs on any Lot by the Owner or Occupant, or construction and marketing related signage by the Declarant or its contractors. No signs of any kind, other than Declarant’s marketing signs or any Association signs for the common good of the Community, which have been previously approved by the Board of Directors, will be allowed on Common Areas.

4.12. **Rubbish and Trash.** No Lot or part of the Common Area shall be used as a dumping ground for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate containers for timely and proper disposal, out of public view. Yard rakings, dirt and other material resulting from landscaping work shall not be dumped onto streets, the Common Areas or any other Lots. Should any Owner fail to remove any trash, rubbish, garbage, yard rakings or any such materials
from any Lot, any roadways or Common Area where deposited by him/her within five (5) days following the date on which notice is mailed to him/her by the Board of Directors, the Association may have such materials removed and charge the expense of such removal to the Owner. Each Owner is responsible for trash disposal, and shall remove individual trash containers within 12 hours of collection. No trash and/or storage containers shall be visible from any adjacent street or neighboring Lot, and shall not be allowed to emit any odors or attract insects or rodents.

4.13. Fences and Hedges. No fences or boundary hedges shall be installed without prior written approval of the ARC. Further, all fences must meet the City of Newberg Development Code Standards. Except as otherwise provided in this Declaration, any fencing installed on Owner’s Lots either by Owner, or by Declarant, will be Owner’s maintenance responsibility. All fences that are Owner’s responsibility are to be maintained in a condition acceptable to the Board and ARC. No perimeter fencing shall be allowed on any Lot abutting any golf course green or fairway including, but not limited to, Lots 49-52 of the Plat. Declarant installed iron and mason walls and columns along Fernwood Road will be maintained by the Association. Side yard fencing on any Lot shall maintain a minimum five (5) foot setback from the front of the house. All fence materials, designs, and colors are subject to prior approval of the ARC. No chain link fencing will be visible from the street.

4.14. Basketball Equipment, Service Facilities; Utilities. All basketball hoops and backboards shall be portable and shall not be affixed to a garage, residence, stationary post or other structure on a Home. When not in use, basketball hoops and backboards shall be stored out of sight of neighboring Homes. Service facilities (e.g. garbage containers, clotheslines, air conditioning compressors, etc.) shall be screened such that the elements screened are not visible at any time from the street or a neighboring Home. All utility lines shall be maintained, repaired and replaced by the Owner of each Lot, or all Owners collectively at their sole expense. The Association is not responsible for the maintenance of any utility, cable TV, or phone service facilities. The exterior location of any heating and air conditioning compressors or heat pumps shall be approved in advance by the ARC. Said locations must take into consideration the noise and view from adjacent Homes.

4.15. Antennas, Satellite Dishes and Solar Collectors. No Owner may erect or maintain a television or radio receiving or transmitting antenna, or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless such apparatus is erected and maintained in such a way that it is screened from public view along the public street right-of-way directly in front (and side, in the case of a corner Lot) of the house erected on such Lot; and no such apparatus shall be erected without the prior written consent of the ARC.
Exterior satellite dishes with a surface diameter of eighteen (18) inches or less may be placed on any Lot, subject to ARC approval, so long as they are installed above the first story (at least eight feet off the ground) and fully below the highest peak of the roof, in the least noticeable location as possible, such as at the eaves or other break in the natural lines of the residence. The ARC, as designated in this Declaration, shall have the absolute authority to determine whether the placement of the satellite dish fits these standards. The authority of the ARC in this matter shall be subject to any regulations issued by the Federal Communications Commission ("FCC") or any other applicable governmental authority.

4.16 Exterior Lighting or Noisemaking Devices. Except with the consent of the ARC, no exterior lighting or noisemaking devices shall be installed or maintained on any Lot, other than security and fire alarms. However, false alarms of security and fire systems will not be allowed to repeatedly occur. Seasonal holiday lighting and decorations are permissible if consistent with any applicable rules and regulations and if removed within thirty (30) days after the celebrated holiday.

4.17 Grades, Slopes, and Drainage. There shall be no modification to and/or interference with the established grading and/or drainage patterns or other systems over or through any Lot or Common Area on the Property, unless properly engineered and permitted by the City, if required and as approved by the ARC. Notwithstanding the foregoing, however, any permitted modifications to the established grading and/or drainage patterns may not affect other Lots, Common Areas and/or real property on or outside of the Property. The term “established grading and/or drainage patterns” shall mean any Declarant installed walls, grading, drainage systems, conduits, inlets and outlets, designed and constructed on the Property.

4.18 Damage or Destruction to Home and/or Lot. If all or any portion of a Lot or Home is damaged by fire or other casualty, the Owner shall either (i) restore the damaged improvements or (ii) remove all damaged improvements, including foundations, and leave the Lot in a clean and safe condition. Any restoration proceeding under (i) above must be performed so that the improvements are in substantially the same condition in which they existed prior to the damage, subject to current governmental regulations and building codes, and the provisions of Article 6 are to be complied with by the Owner. The Owner must commence such work within sixty (60) days after the damage occurs and must complete the work within six (6) months thereafter. In the event the Owner fails to commence such work within the six (6)-month period, the Association shall have the right, but not the obligation, to commence such work on behalf of, and for the sole account of, Owner.
4.19. Detached Buildings. No permanent or removable detached accessory buildings, including, but not limited to, storage buildings, greenhouses, children’s playhouses and similar structures, shall be built without the prior written consent of the ARC. All such detached buildings must meet the City of Newberg Development Code and Building Code Standards. No detached buildings shall be used as additional living space and none shall contain any plumbing. Permanent outbuildings shall be of a one (1) story design, constructed of wood whose roofing, siding color, style and finish matches that of the exterior material of the house. Metal sheds are prohibited. Heavy duty rubber or unbreakable plastic or composite storage sheds that are portable and temporary in nature, MAY be approved providing that they are: 1) screened or hidden from the view of neighboring lots and common areas, and 2) aesthetically harmonious with the home in terms of color and texture/finish (e.g. pebbled/muted/dull).

4.20. Owner’s Maintenance Obligations. Each Owner shall maintain their Lot and improvements in a clean and attractive condition, in good repair and in such a fashion as not to create a hazard of any kind. Such maintenance shall include, without limitation, painting or staining, repair, replacement and care of roofs, gutters, downspouts, surface water drainage, walks and other exterior improvements and glass surfaces. In addition, each Owner shall keep shrubs, trees, grass and plantings of every kind neatly trimmed, fertilized, property cultivated and free of trash, weeds and other unsightly materials. The provisions of this Article include all areas on Lots, except as provided in Articles 3.4 (g) and 4.5, above.

4.21. Right of Maintenance and Entry by Association. If an Owner fails to perform maintenance and/or repair which he/she is obligated to perform pursuant to this Declaration for buildings or landscaping, and if the Board determines, after notice and a hearing (given pursuant to the provisions of the Bylaws), that such maintenance and/or repair is necessary to preserve the attractiveness, quality, nature and/or value of the Property, the Board may cause such maintenance and/or repair in connection therewith to be performed and may enter any such Lot whenever entry is necessary in connection with the performance of any maintenance or construction which the Board is authorized to undertake. Entry shall be made with as little inconvenience to an Owner as practicable and only after advance written notice of not less than forty-eight (48) hours, except in emergency situations. Such right of maintenance shall include, but not be limited to, buildings, street trees and front and side yard landscape. All maintenance and/or repairs performed on behalf of Lot Owners shall be at the Owner’s sole expense.

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4.22. **Association Rules and Regulations.** The Board of Directors, from time to time, may adopt, modify or revoke Rules and Regulations governing the conduct of persons and the operation or use of Lots and Common Areas, as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property. A copy of any Rules and Regulations, upon adoption, amendment, modification or revocation thereof, shall be delivered by the Board of Directors promptly to each Owner and shall be binding upon all Owners and Occupants of all Lots upon the date of delivery or actual notice thereof. The method of adoption of such Rules and Regulations shall be provided in the Bylaws of the Association.

4.23. **City and County Ordinances and Regulations.** The standards and restrictions of the Article 4 shall be the minimum required. To the extent the ordinances and regulations of The City of Newberg, OR and/or Yamhill County are more restrictive or provide for a higher or different standard, the ordinances and regulations of The City of Newberg, OR and/or Yamhill County, or any jurisdiction the Property may be annexed into, shall prevail.

4.24. **Violation.** The Association may impose a fine, charge or penalty for any violation of this Declaration, the Bylaws and Rules and Regulations after reasonable notice of the violation and a reasonable opportunity for a hearing. Additionally, the Association may seek injunctions or other equitable relief or may file an action for money damages owing from such violations.

4.25. **Security.** The Association is not responsible for security of the neighborhood or any Homes. The Owners are exclusively responsible for security of their Home and Property.

**ARTICLE 5**

**COMMON AREA**

5.1 **Use of Common Areas.** Use of Common Areas is subject to the provisions of the Declaration, Bylaws, Articles and Rules and Regulations promulgated by the Board of Directors. There shall be no use of the Common Area except by Owners and their invitees. There shall be no obstruction of any part of the Common Area. Nothing shall be stored or kept in the Common Area without the prior written consent of the Board of Directors. No alterations or additions to the Common Area shall be permitted without the prior written approval by the Board of Directors. Nothing shall be stored or kept in the Homes or Common Area which will increase the rate of insurance on the Common Area without the prior written consent of the Board.
5.2 **Maintenance of Common Area.** Except as otherwise provided in this Declaration, the Association shall pay for and maintain any improvements within the boundaries of Tracts ‘A’ and ‘C’, and any maintenance easement held by the Association as described in Article 3.4, Section (c), above. The Association shall keep the Common Area and improvements thereon in good condition and repair, provide for all necessary services and cause all acts to be done which may be necessary or proper to assure the maintenance of the Common Area in first class condition. All landscaping and improvements on any Lot or Common Area shall be maintained and cared for in a manner consistent with the standard of design and quality as originally established by the Declarant or the ARC. All Lots and Common Areas shall be kept free of weeds and diseased or dead lawn, trees, ground cover or shrubs shall be promptly removed and replaced. All lawn areas shall be fertilized and neatly mowed, and trees and shrubs shall be fertilized and neatly trimmed on a regular basis.

5.3 **Alterations to Common Area.** The Declarant does not choose to limit its rights to add improvements to the Common Area and nothing in this Declaration shall be deemed to require Declarant to build any improvement on the Common Area. After all Lots to have been conveyed to Owners other than the Declarant or a Declarant assignee, the Association may construct, reconstruct, or alter any improvement situated upon the Common Area. A proposal for any construction of or alteration, maintenance or repair to an improvement may be made at any meeting. A proposal may be adopted by the Board, subject to the limitations contained in the Bylaws and the Declaration.

5.4 **Funding.** Expenditures for alterations, maintenance or repairs to an existing capital improvement for which a reserve has been collected shall be made from the reserve account. As provided in Article 10.6, the Board may levy a special assessment to fund any construction, alteration, repair or maintenance of an improvement (or any other portions of the Common Area) for which no reserve has been collected or for which the reserve account is insufficient to cover the cost of the proposed improvement.

5.5 **Condemnation of Common Area.** If all or any portion of the Common Area is taken for any public or quasi-public use under any statute, by right of eminent domain or by purchase in lieu of eminent domain, the entire award shall be received by and expended by the Board of Directors in a manner which in their discretion is in the best interest of the Association. The Association shall represent the interest of all Owners in any negotiations, suit or action or settlement in connection with such matters.
5.6 Damage or Destruction of Common Area. In the event any Common Area is damaged or destroyed by an Owner or any of his Occupants, guests, tenants, licensees, agents or members of his family in a manner that would subject such Owner to liability for such damage under Oregon law, such Owner does hereby authorize the Association to repair such damage. The Association shall repair the damage and restore the area in workmanlike manner as originally constituted or as may be modified or altered subsequently by the Association in the discretion of the Board of Directors. The reasonable cost necessary for such repairs shall become a special assessment upon the Lot of the Owner who caused or is responsible for such damage.

ARTICLE 6

GOLF COURSE PROVISIONS

6.1 Use of Golf Course Facilities. The purchase of a Lot at The Greens at Springbrook does not confer upon the Owner the right to use the golf course or any other facilities associated therewith. In order to use the golf course or related facilities, Owners will be required to pay such fees and satisfy such other conditions as may be required by the owner of the golf course. Neither the Declarant nor the Association have provided representations, warranties or assurances respecting access, usage, the amount or level of fees or other conditions related to the golf course facilities.

6.2 Golf Course Maintenance. Each Owner acknowledges and understands the golf course may be irrigated with well water, reclaimed water or city water. Further, pesticides, herbicides and fertilizer may be applied to the golf course. Overspray of water or chemicals may occur, and may have an adverse effect on landscaping, and improvements located on the Lots.

6.3 Animals. Wild and domestic animals are often attracted to golf course landscaping. Owners’ animals are prohibited from entering the golf course. Further, no feeding of wild animals and birds on the course is allowed.

6.4 Golf Course Noise. Golf course use begins immediately after daylight up to seven (7) days per week and golf course maintenance, including irrigation, may be carried on during any or all nighttime and daylight hours. As a result, each Owner acknowledges and understands that golf course use and maintenance will create noise and other disturbances, which may result in inconvenience, and disturbance to Owners or residents of the Lots.
6.5 **Golf Ball Overflight and Damage.** Lots within The Greens at Springbrook are located along the boundaries of a public golf course. Living adjacent to or near the golf course carries with it the risk of damage caused to persons and property by golf balls or other objects coming on the Lot from the golf course. Neither the golf course owner, the Declarant, nor the Association provide any assurances whatsoever concerning the frequency with which golf balls or other objects will enter any Lot and further provides no guarantees, responsibility nor liability for any damage caused by golf balls or other objects.

6.6 **Hold Harmless.** Any Owners, by acceptance of a deed to their Lot(s), for themselves and on behalf of their family, guests, tenants, invitees and licensees, hereby release the golf course owner, the Declarant, the Association, their successors, agents and assigns, along with the Association Board of Directors and members (collectively the “Indemnified Parties”), from all claims, demands, expenses, damages, costs, causes of action, obligations and liabilities including, without limitation, damage to Homes, and other property damage and damages for personal injury or death (collectively the “Claims”) which in any way arise from or relate to the matters disclosed above or, any other activity occurring as a result of the public golf course.

**ARTICLE 7**

**ARCHITECTURAL REVIEW COMMITTEE**

7.1 **Architectural Review.** No improvement shall be commenced, erected, placed or altered on any Lot until the construction plans and specifications showing the nature, shape, heights, materials, colors, and proposed location of the improvement have been submitted to and approved in writing by the ARC. It is the intent and purpose of this Declaration to assure quality of workmanship and materials and to assure harmony of exterior design with the existing improvements and landscaping. The ARC is not responsible for determining compliance with structural and building codes, solar ordinances, zoning codes or other governmental regulations, all of which are the responsibility of the Lot Owners. The procedure and specific requirements for review and approval of construction may be set forth in design guidelines adopted from time to time by the ARC. Construction by the Declarant is presumed to have been approved and is thereby exempt from this review. In all cases which the ARC consent is required by this Declaration, the provision of this Article shall apply.
7.2 Architectural Review Committee, Appointment and Removal. The ARC shall consist of no fewer than three (3) members and no more than five (5) members, as the Board may appoint from time to time. The Declarant reserves the right to appoint all members of the ARC and all replacements thereto until turnover. The Declarant may appoint a single person to serve as the ARC. After turnover, Declarant shall delegate the right to appoint and remove members of the ARC to the Board of Directors. The terms of office for each member of the ARC shall be for one (1) year unless lengthened by the Board at the time of appointment or unless the Board serves as the ARC in which event the terms of the ARC members shall be the same as their terms as Board members. The Board may appoint any or all of its members for the ARC and there should be no requirement for non-Board members on the ARC. The Board may appoint one or more members to the ARC who are not Owners, but who have special expertise regarding the matters which come before the ARC. In the sole discretion of the Board, such non-Owner members of the ARC may be paid and that cost paid by applicants or the Association.

7.3 Majority Action. Except as otherwise provided in this Declaration, a majority of the members of the ARC shall have the power to act on behalf of the ARC, without the necessity of a meeting and without the necessity of consulting the remaining members of the ARC. The ARC may render its decision only by written instrument setting forth the action taken by the members consenting thereto.

7.4 Duties. The ARC shall consider and act upon the proposals and/or plans submitted pursuant to this Article. The ARC, from time to time and at its sole discretion, may adopt architectural rules, regulations and guidelines ("Architectural Standards"). The Architectural Standards shall interpret and implement the provisions of this Declaration for architectural review and guidelines for architectural design, placement of buildings, color schemes, exterior finishes and materials and similar features which may be used in the Property; provided, however that the Architectural Standards shall not be in derogation of the minimum standards established by this Declaration.

7.5 ARC Decision. The ARC shall render its approval or denial decision with respect to the construction proposal within twenty (20) working days after it has received all material required by it with respect to the application. All decisions shall be in writing. In the event the ARC fails to render its decision of approval or denial in writing within sixty (60) days of receiving all material required by it with respect to the proposal, the application shall be deemed approved. Approval by the ARC does not imply government approval which is solely the responsibility of the Owner.
7.6 **ARC Discretion.** The ARC may, at its sole discretion, withhold consent to any proposed work if the ARC finds the proposed work would be inappropriate for the particular Lot or incompatible with the design standards that the ARC intends for the Property. Consideration such as siting or location on the Lot, shape, size, color, design, height, solar access, or other effect on the enjoyment of other Lots or the Common Area, and any other factors which the ARC reasonably believe to be relevant, may be taken into consideration by the ARC in determining whether or not to consent to any proposed work.

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

7.8 **Appeal.** At any time after Declarant has delegated appointment of the members of the ARC to the Board of Directors pursuant to Article 7.2, any Owner adversely impacted by action of the ARC may appeal such action to the Board of Directors. Appeals shall be made in writing within ten (10) days of the ARC’s action and shall contain specific objections or mitigating circumstances justifying the appeal. If the Board is already acting as the ARC, the appeal shall be treated as a request for a rehearing, but in such case the Board must actually meet and receive evidence and argument. A final, conclusive decision shall be made by the Board of Directors within fifteen (15) days after receipt of such notification. The determination of the Board shall be final.

7.9 **Effective Period of Consent.** The ARC’s consent to any proposed work shall automatically be revoked three (3) months after issuance unless construction of the work has been commenced or the Owner has applied for and received an extension of time from the ARC.

7.10 **Determination of Compliance.** The ARC shall inspect, from time to time, all work performed and determine whether it is in substantial compliance with the approval granted. If the ARC finds that the work was not performed in substantial conformance with the approval granted, or if the ARC finds that the approval required was not obtained, the ARC shall notify the Owner in writing of the noncompliance. The notice shall specify the particulars of any noncompliance and shall require the Owner to take the necessary action to bring the work into compliance with the approved project.

7.11 **Noncompliance.** If the ARC determines that an Owner has not constructed an improvement consistent with the specifications on which approval is based, and if the Owner fails to diligently commence to remedy such noncompliance
in accordance with the provisions of the notice of noncompliance, then at the expiration of the third (3rd) day from the date of such notification, the ARC shall provide a notice of a hearing to consider the Owner’s continuing noncompliance. The hearing shall be set not more than thirty (30) days from the date of the notice of noncompliance. At the hearing, if the ARC finds that there is no valid reason for the continuing noncompliance, the ARC shall determine the estimated costs of correcting it. The ARC shall then require the Owner to remedy or remove the same within a period of not more than ten (10) days from the date of the ARC’s determination. If the Owner does not comply with the ARC’s ruling within such period or within any extension of such period as the ARC, at its discretion, may grant, the Association may (a) remove the noncomplying improvement, (b) remedy the noncompliance, or (c) file suit to compel compliance. The costs of such action shall be assessed against the Owner and his Lot, including all attorneys’ fees and other costs expended and incurred to enforce compliance before suit or action is filed and at trial or on any appeal or review of therefrom.

7.12 Liability. Neither the ARC, the Board, their agents, nor any member thereof shall be liable to any Owner, Occupant, or builder for any damage, loss or prejudice suffered or claimed to be suffered arising from any action by the ARC or a member thereof or failure of the ARC or a member thereof, provided only that the member has acted in good faith in accordance with the actual knowledge possessed by him.

7.13 Estoppel Certificate. Within fifteen (15) working days after written request is delivered to the ARC by an Owner, and upon payment to the ARC of a reasonable fee fixed by the ARC to cover costs, the ARC shall provide such Owner with a certificate executed by the Chairman of the ARC, and acknowledged, certifying with respect to any Lot owned by the Owner, that as of the date thereof either (a) all improvements made or done upon or within such Lot by the Owner comply with this Declaration or any Rules and Regulations either promulgated by the Board or the ARC, or (b) such improvements do not so comply, in which event, the certificate shall also identify the noncomplying improvements and set forth with particularity the nature of such noncompliance. The Owner, his/her/their heirs, devisees, successors and assigns shall be entitled to rely on the certificate with respect to the matters set forth. The certificate shall be conclusive as between the Declarant, the ARC, the Association and all Owners, and all such persons deriving an interest through any of them.
ARTICLE 8

THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION

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

8.2 Proxy. Each Owner may cast his vote in person, pursuant to a proxy executed by the Owner, or by written ballot, as provided by ORS 65.222. An Owner may not revoke a proxy given pursuant to this Article except by actual notice or revocation to the person presiding over a meeting of the Association. A proxy shall not be valid if it is undated or purports to be revocable without notice. A proxy shall terminate one (1) year after its date, unless the proxy specifies a shorter term.

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

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

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

(i). The date that Lots representing eighty percent (80%) of Lots anticipated to be created and subject to this Declaration, including any anticipated annexation of additional Lots, have been conveyed to Owners other than Declarant (“Termination Date”); or

(ii). At such earlier time as Declarant may elect in writing to terminate Class B membership.

Thereafter, each Owner, including the Declarant, shall be entitled to one (1) vote for each Lot owned with respect to all matters upon which
Owners are entitled to vote, and the total number of votes shall be equal to the total number of Lots.

When more than one (1) person or entity owns a Lot, the vote for such Lot may be cast as they shall determine, but in no event will fractional voting be allowed. Fractional or split votes shall be disregarded, except for purposes of determining a quorum. The total number of votes as of the Termination Date and thereafter shall be equal to the total number of Lots.

8.4 Procedure. All meetings of the Association, the Board of Directors, the ARC, and Association committees shall be conducted with such rules of order as may from time to time be adopted by the Board of Directors. Notwithstanding which rule of order is adopted, the chairman shall be entitled to vote on all matters, not merely to break a tie vote. A tie vote does not constitute a majority or approval of any motion or resolution.

ARTICLE 9

DECLARANT CONTROL

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

9.2 Transitional Advisory Committee. The Declarant shall, not later than the 60th day after the Declarant conveys fifty percent (50%) or more of the Lots to Owners other than a Successor Declarant form a Transitional Advisory Committee of three (3) or more members. The Declarant shall select no more than one (1) member of such Committee. The purpose of the Transitional Advisory Committee shall be to provide for the transition from administrative responsibility by the Declarant to the administrative responsibility by the Association and the Committee shall have reasonable access to all information and documentation required to be turned over to the Association at the Turnover Meeting. If the Declarant fails to call for a meeting
to select the Transitional Advisory Committee, an Owner may do so. Should the Owners fail to select members to serve on the Transitional Advisory Committee, the Declarant shall have no further obligation to form the Committee. In no event shall a Transitional Advisory Committee be formed once the Turnover Meeting has been held.

9.3 Turnover Meeting. The Declarant shall call a meeting for the purpose of turning over administrative control of the Association from the Declarant to the Class A members within ninety (90) days of the earlier of:

(a) Upon Sale of Lots. The date that Lots representing eighty percent (80%) of Lots subject to this Declaration, plus any recorded annexation of additional Lots, have been conveyed to persons other than the Declarant; or

(b) Declarant’s Earlier Election. At such earlier time as Declarant may elect in writing to terminate Class B membership.

The Declarant shall give notice of the meeting to each Owner as provided in the Bylaws. If the Declarant does not call the meeting required under this Article, any Owner may do so. At the Turnover Meeting, Declarant shall turn over to the Association, and the Association shall accept, all responsibility for administration of the Association. Declarant shall, at such meeting, provide all documentation and records related to the administration of the business as provided by law.

9.4 Board of Directors. At and following Turnover, the Board of Directors of the Association shall be comprised of five (5) directors. The directors will be elected by a plurality of the total membership of the Association. In the event of a vacancy occurring on the Board, the position of such director(s) shall be filled in accordance with the terms and provisions of the Bylaws through appointment by the Board of Directors. Terms of office shall be staggered such that in the first election at the Turnover Meeting, as described in the Bylaws, two (2) Directors shall serve a term of three (3) years, two (2) for two (2) years and one (1) for one (1) year. At all subsequent Annual Meetings, the term of office for elected Directors will be three (3) years.
ARTICLE 10

DECLARANT’S SPECIAL RIGHTS

10.1 General. Declarant is undertaking the work of developing Lots and other improvements within the Property. The completion of the development work and the marketing and sale of the Lots is essential to the establishment and welfare of the Property as a residential community. Until the Homes on all Lots on the Property have been constructed, fully completed and sold, with respect to the Common Areas and each Lot on the Property, the Declarant shall have the special rights set forth in this Article 10.

10.2 Marketing Rights. Declarant shall have the right to maintain a construction trailer, sales office and model on one or more of the Lots which the Declarant may or may not own, to be staffed by the employees of the Declarant or any licensed real estate sales agents. The Declarant and prospective purchasers and their agents shall have the right to use and occupy the construction trailer, sales office and models during reasonable hours any day of the week. The Declarant may maintain a reasonable number of “For Sale” signs at reasonable locations of the Property, including, without limitation, the Common Area.

10.3 Declarant’s Easements. The Declarant has reserved easements over the Property as more fully described in Article 3.4, Sections (c) and (d) hereof.

10.4 Appearance and Design of the Property. Declarant shall not be prevented from changing the exterior appearance of the Common Area, including the landscaping or any other matter directly or indirectly connected with project in any manner deemed desirable by Declarant, provided that the Declarant obtain governmental consents required by law. The construction and material standards of Article 4 notwithstanding, Declarant may change exterior and/or interior designs of Homes and Lots from initial plans and provisions in this document, without notice. This may include designs, colors, and type of materials, provided Declarant obtains any necessary governmental consent.

10.5 Construction by Declarant. All construction by Declarant is presumed to have been approved by the ARC and to meet any Design Guidelines of the Association.
ARTICLE 11

FUNDS AND ASSESSMENTS

11.1 Purpose of Assessment. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and Occupants and for the improvement, operation and maintenance of the Common Area, including administrative costs and insurance for the Association. No individual structure insurance will be provided by the Association.

(a) Common Expense Designations. Common Expenses of the nature described in Article 11.1 which are to be, or are, incurred by the Association for the benefit of all of the Owners of Lots within the Property shall be separately budgeted for allocation among all such Owners, except the Declarant or a Declarant assignee and shall be designated “General Common Expenses”.

(b) Insurance By the Association. The Board shall obtain, and maintain in effect, from reputable insurance companies authorized to do business in the State of Oregon, public liability insurance with respect to all the Common Area in such amounts and in such forms as the Board deems advisable to provide adequate protection for bodily injury, including deaths of persons, and property damage, whether caused by the negligence of the Association or otherwise; provided, however, that such policy(ies) shall not be for an amount of less than one million 00/100 dollars ($1,000,000.00) per person, per occurrence, and that such policy(ies) shall provide that the coverage there under cannot be canceled or substantially modified without at least ten (10) days written notice to the Association. No fire and casualty coverage will be purchased for Homes. The Association may obtain such other and further policies of insurance as it deems advisable. The named insured on the policy may read The Greens at Springbrook Homeowners Association. The casualty insurance to be obtained by the Association pursuant to this paragraph 10.1(c) shall include the following terms, if the Board determines they are reasonably available:

   i) A waiver of subrogation by the insurer as to any claims against the Board, any Owner, or any guest of an Owner;

   ii) A waiver by the insurer of its right to repair and reconstruct instead of paying cash;
iii) A provision that no policy may be canceled, invalidated, or suspended because of the action of an Owner;

iv) A provision that no policy may be canceled, invalidated, or suspended because of the conduct of any director, officer, or employee of the Association unless the insurer gives the Association a prior written demand that the Association correct the defect and allows the Association a reasonable time to make the correction; and

v) A provision that any “other insurance” clause in any policy shall exclude from its coverage all owners’ policies.

At the discretion of the Board, the Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Association, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his/her/their status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the Articles of Incorporation of the Association.

11.2 Covenants to Pay. Declarant, on behalf of each and every subsequent Owner of any Lot, covenants and agrees that each Lot will pay the Association the assessments and any additional charges levied pursuant to this Article 11.

(a) Funds Held. The assessments collected by the Association shall be held by the Association for and on behalf of each Owner and shall be used solely for the operation, care and maintenance of the Property as provided by this Declaration. Upon the sale or transfer of any Lot, the Owner’s interest in the funds shall be deemed automatically transferred to the successor in interest of such Owner, and is not refundable.

11.3 Basis of Assessments and Commencement of Assessments. Assessments are to be levied against all Lots, except those owned by the Declarant, whether or not such Lots have been improved with a substantially completed Home. Provided, however, that no Assessment shall be levied against any Lot until such time as it is first sold to an Owner other than Declarant or Declarant assignee. Assessments for all Lots conveyed by the Declarant to Owner, either by deed or land sales contract, shall begin on the day of the recording of the deed or land sale contract conveying or contracting to convey the Lot of the new Owner.
11.4 Annual Assessments. Annual assessments for each fiscal year shall be established when the Board approves the budget for that fiscal year. The fiscal year shall be the calendar year unless another year is adopted by vote of the Board members. Annual Assessments will be levied on a quarterly basis unless otherwise approved by the Board.

(a) Budget. Regardless of the number of Members or the amount of assets of the Association, each year the Board shall prepare, approve and make available to each Member a pro forma operating statement (budget) containing; (i) estimated revenue and expenses on an accrual basis; (ii) the amount of the total cash reserves of the Association currently available for replacement or major repair of the Common Area and for contingencies; (iii) an itemized estimate for the remaining life of, and the methods of funding to defray repair, replacement or additions to major components of the Common Area; and (iv) a general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the costs and repair, replacement or additions to major components of the Common Area. For the first fiscal year, the budget shall be approved by the Board no later than the date on which annual assessments are scheduled to commence. Thereafter, the Board shall annually prepare and approve the budget and distribute a copy thereof to each Member, together with written notice of the amount of the annual assessments to be levied against the Owner’s Lot, not less than thirty (30) days and not more than ninety (90) days prior to the beginning of the fiscal year.

(b) Allocation of Assessments. The total amount in the General Association budget shall be charged equally against all Lots which have closed escrow to an Owner other than the Declarant or a Declarant assignee as annual assessments. Any profits of the Association shall be similarly allocated.

(c) Non-Waiver of Assessments. If before the expiration of any fiscal year the Association fails to fix annual assessments for the next fiscal year, the annual assessments established for the preceding year shall continue until a new annual assessment is fixed.

11.5 Reserve Funds

(a) Reserve Fund for Replacing Common Area Improvements
Declarant shall in addition establish a reserve fund in the name of the Association for replacement, in whole or in part, for any completed improvements located in, on, or under the Common Area or Lots for which
the Association is responsible pursuant to this Declaration, that will normally require replacement in more than three (3) and fewer than thirty (30) years. The reserve account need not include those items that could reasonably be funded from the maintenance fund or operating assessments, or for which one or more Owner is responsible for maintenance and replacement under the provisions of this Declaration or the Bylaws. For purposes of funding the reserve fund, the Declarant initially, and thereafter the Association shall impose an assessment to be called the “Reserve Fund Assessment” against each Lot, which assessment shall be spread equally over the Lots. The Reserve Fund Assessment shall be based on the reserve study, and updates thereof, described in Article 11.5 (b), or other sources of reliable information. Nothing herein shall limit the authority of the Declarant or the Association to establish other separate and unrelated reserve funds that are funded by assessments for reserves that are in addition to the Reserve Fund or that relate only to a particular type or category of Lot. The Reserve Fund shall be kept separate from other funds and may be used only for the purposes for which reserves have been established as specified in this Article.

Required Reserve Fund Assessments for completed improvements shall begin accruing from the date the first Lot is conveyed from the Declarant to an Owner other than Declarant assignee. Declarant may elect to defer payment of the Reserve Fund Assessments due on Lots it owns until the date of the conveyance of the Lot to an Owner. However, the Declarant may not defer such payment beyond the date of the Turnover Meeting or, if no Turnover Meeting is held, beyond the date the Owners assume administrative control of the Association. The books and records of the Association shall reflect the amount owing from the Declarant for all Reserve Fund Assessments.

After the Turnover Meeting or at such time as the Owners have assumed responsibility for administration of the Association, the Board may borrow funds from the Reserve Fund to meet high seasonal demands on the regular operating funds or to meet other unexpected increases in expenses. Such funds borrowed from the Reserve Fund shall be repaid from regular annual or special assessments against the Lots, if the Board has adopted a resolution, which may be an annual, continuing resolution, authorizing the borrowing of funds. Not later than the adoption of the budget for the following year, the Board shall adopt by resolution a written payment plan providing for repayment of the borrowed funds within a reasonable period.

The Board may adjust the amount of the Reserve Fund Assessments as indicated by any reserve study or update, and provide for any other reserve items that the Board, in its discretion, may deem appropriate during a fiscal
year. In addition, after the second anniversary of the Turnover Meeting, the Association may elect to reduce or increase future Reserve Fund Assessments by a 75% vote of the Owners.

Any funds established for any of the purposes mentioned in this Article shall be deemed to be within the Reserve Fund notwithstanding that it may not be so designated by the Board of Directors. The amount of the Reserve Fund shall constitute an asset of the Association and shall not be refunded or distributed to any Owner.

(b) Reserve Study. The Declarant initially, and thereafter the Board of Directors shall on behalf of the Association annually conduct a reserve study, or review and update an existing study, of the Common Area components to determine the requirements of the reserve fund described in Article 10.5 (a) above. The reserve study shall include (a) identification of all items for which reserves are required to be established; (b) the estimated remaining useful life of each item as of the date of the reserve study; (c) the estimated cost of maintenance, repair, or replacement of each item at the end of its useful life; and (d) a thirty (30) year plan with regular and adequate contributions, adjusted by estimated inflation and interest earned on the reserve fund, to meet the maintenance, repair, and replacement schedule.

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

(a) Deficits in Operating Budget. To correct a deficit in the operating budget, by vote of a majority of the Board;

(b) Breach of Documents. To collect amounts due to the Association from an Owner for breach of the Owner’s obligations under the Declaration, the Bylaws, or the Rules and Regulations, by vote of a majority of the Board;

(c) Repairs. To make repairs or renovations to the Common Area if sufficient funds are not available from the operating budget or replacement reserve accounts by vote of a majority of the Board; or

(d) Capital Additions. To make capital acquisitions, additions or improvements, by vote of at least seventy-five percent (75%) of all votes allocated to the Lots.
11.7 Accounts.

(a) Types of Accounts. Assessments collected by the Association may be deposited into at least two (2) separate accounts with a bank, which accounts shall be designated as (i) the Current Operating Account and (ii) the Reserve Account. Those portions of the assessments collected for current maintenance and operation levied under Article 11.4 (b) will be in the Current Operating Account and those portions of the assessments collected as reserves for replacement and deferred maintenance of capital improvements into the Reserve Account. Special Assessments shall be deposited into one of the two accounts, whichever is deemed by the Board to be appropriate. Withdrawal of funds for the Association’s Reserve Account shall require the signatures of two (2) Directors.

(b) Reserve Account. The Association shall pay out of the Reserve Account only those costs that are attributable to the maintenance, repair or replacement of capital improvements for which reserves have been collected and held.

(c) Current Operating Account. All ordinary maintenance and operating expenses shall be paid from the Current Operating Account.

10.8 Default in Payment of Assessments, Enforcement of Liens.

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

(b) Association Lien. At any time any assessment (of any type provided for by this Declaration or the Bylaws) or installment thereof is delinquent, the Association, by and through its Board or any management agent, may file a notice of lien in the deed records of Yamhill County, Oregon against the Lot in respect to which the delinquency pertains. Once filed, such lien shall accumulate all future assessments or installments, interest, late fees, penalties, fines, attorneys’ fees (whether or not suitor action is instituted) and other appropriate costs properly chargeable to an Owner by the Association,
until such amounts are fully paid. The provisions regarding the attachment, notice, recordation and duration of liens established on real property under ORS 94.704 to 94.716, as the same may be amended, shall apply to the Association’s lien. The lien shall be foreclosed in accordance with the provisions regarding the foreclosure of liens under ORS Chapter 87, except that the Association’s lien may be continued in force for a period not to exceed six (6) years from the date the assessment is due. The lien of the Association shall be superior to all other liens and encumbrances except property taxes and assessments, and any first mortgage or deed of trust.

(c) **Interest; Fines; Late Fees; Penalties.** The Board in its reasonable discretion may from time to time adopt resolutions to set the rate of interest, and to impose late fees, fines and penalties on delinquent assessments or for violations of the provisions of this Declaration, the Bylaws, any Rules and Regulations, and any rules and regulations adopted by the ARC. The adoption of such impositions shall be communicated to all Owners in writing not less than thirty (30) days before the effective date by a notice mailed to the assessment billing addresses of such Owners. Such impositions shall be considered assessments which are lienable and collectible in the same manner as any other assessments. Provided, however, no fine or penalty for violation of this Declaration, the Bylaws or any Rules and Regulations (other than late fees, fines or interest arising from an Owner’s failure to pay regular or special assessments) may be imposed against an Owner or his Lot until such Owner is given an opportunity for a hearing as provided in Article 4.24.

(d) **Acceleration of Assessments.** In the event an Owner is delinquent in payment of any assessment or installment on any assessment, the Association, upon not less than ten (10) days written notice to the Owner, may accelerate the due date of the full annual assessment for that fiscal year and all future installments of any special assessments.

(e) **Association’s Right to Rents/Receiver.** In any foreclosure suit by the Association with respect to such lien, the Association shall be entitled to collect reasonable rent from the defaulting Owner for the use of his Lot or shall be entitled to the appointment of a Receiver. Any default by the Owner in any provisions of the Declaration or Bylaws shall be deemed to be a default by the Owner of any mortgage to which the Owner is party or to which the Lot is subject.
ARTICLE 12

GENERAL PROVISIONS

12.1 Records. The Board of Directors shall preserve and maintain minutes of the meetings of the Association, the Board and any committees. The Board of Directors shall also keep detailed and accurate financial records including individual assessment accounts of Owners, the balance sheet, and income and expense statements. Individual assessment accounts shall designate the name and address of the Owner or Owners of the Lot, the amount of each assessment as it becomes due, the amounts paid upon the account, and the balance due on the assessments. The Board shall annually cause to be prepared and distributed to each Owner within ninety (90) days after the end of the fiscal year, an annual financial statement consisting of a balance sheet and income and expenses statement for the preceding fiscal year. Such financial statement shall be reviewed by a certified public accountant within one hundred eighty (180) days following the end of the fiscal year if the Association has annual assessments exceeding seventy-five thousand 00/100 dollars ($75,000.00), or, if less than seventy-five thousand 00/100 dollars ($75,000.00), if a petition requesting such review is executed by a majority of the Owners and delivered to the Board. The minutes of the Association, the Board and committees, and the Association’s financial records shall be reasonably available for review and copying by the Owners. A reasonable charge may be imposed by the Association for providing copies other than the annual copies to all Owners of the financial statements.

12.2 Indemnification of Directors, Officers, Employees and Agents. The Association shall indemnify any Director, officer, employee or agent who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by the Association) by reason of the fact that he/she is or was a Director, officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by said person in connection with such suit, action or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interest of the Association, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or with a plea of nolo contendere or its equivalent, shall not of itself create a presumption that a person did not act in good faith and in a manner
which he/she reasonably believed to be in, or not opposed to, the best interest of the Association, and with respect to any criminal action or proceedings, had reasonable cause to believe his conduct was unlawful. Payment under this clause may be made during the pendency of such claim, action, suit or proceeding as and when incurred, subject only to the right of the Association to reimbursement of such payment from such person, should it be proven at a later time that such person had no right to such payments. All persons who are ultimately held liable for their actions on behalf of the Association as a Director, officer, employee or agent shall have a right of contribution over and against all other Directors, officers, employees or agents and members of the Association who participated with or benefited from the acts which created said liability.

12.3 Enforcement; Attorneys’ Fees. The Association and the Owners within the Property or any mortgagee on any Lot shall have the right to enforce all of the covenants, conditions, restrictions, reservations, easements, liens and charges now or hereinafter imposed by any of the provisions of this Declaration as may pertain specifically to such parties or owners by any proceeding at law or in equity. Failure by either the Association or by any Owner or mortgagee to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of their right to do so thereafter. The prevailing party in any such action or appeal therefrom shall be entitled to recovery of reasonable attorney fees and costs.

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

12.5 Duration. The covenants, conditions and restrictions of this Declaration shall run with and bind the land for a term of thirty-five (35) years from the date of this Declaration being recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless rescinded by a vote of at least ninety percent (90%) of the Owners and ninety percent (90%) of the first mortgagees. Provided however, amendments which do not constitute rescission of the planned development may be adopted as provided in Article 12.6 below. Additionally, any such rescission which affects the Common Area shall require the prior written consent of Yamhill County.

12.6 Amendment. Except as otherwise provided in Articles 12.5, 12.9, and the restrictions set forth elsewhere herein, this Declaration may be amended in accordance with the provisions of ORS 94.590 at any time by an instrument approved by not less than seventy-five percent (75%) of the total votes, without regard to any weighted vote otherwise allocated to the Class B member, for all Lots subject to this Declaration, of each class of members that are eligible to vote. However, prior to
transfer of any Lot to an Owner other than a Successor Declarant, Declarant has the right to amend the Declaration, Bylaws and Articles of Incorporation. Any amendment must be executed, recorded and certified as provided by law. Provided, however, that no amendment of this Declaration shall effect an amendment of the Bylaws or Articles without compliance with the provisions of such documents, and the Oregon Non-Profit Corporation Act. Provided further, until the Turnover Meeting, no amendment affecting the General Plan and Development or any other right of the Declarant herein contained may be effected without the express written consent of the Declarant or its successors and assigns.

12.7  **Release of Right of Control.** The Declarant may give up their right of control in writing at any time by notice to the Association.

12.8  **Personal Pronouns.** All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall apply to the plural and vice versa.

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

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

1. Declaration of Covenants, Conditions and Restrictions;
2. Articles of Incorporation;
3. Bylaws;
4. Rules and Regulations.
IN WITNESS WHEREOF, the undersigned being the Declarant herein, has executed this instrument this ___ day of _________, 2005.

By: __________________________
    Mike Loomis, Vice President Land Development
    D.R. Horton, Inc.- Portland

STATE OF OREGON    ss. January 31, 2005
County of _________

This instrument was acknowledged before me on January 31, 2005, by Mike Loomis, as Vice President Land Development for D.R. Horton, Inc.- Portland, a Delaware Corporation.

By: __________________________
    Jeffery D. Smith, President
    The Greens at Springbrook, LLC

STATE OF OREGON    ss. January 31, 2005
County of _________

This instrument was acknowledged before me on January 31, 2005, by Jeffery D. Smith, President for The Greens at Springbrook, LLC.
DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK
(The Greens at Springbrook No. 2)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK is made as of this 11th day of July, 2005, by D.R. Horton, Inc.-Portland, a Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company (collectively as the "Declarant").

RECOLALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions for The Greens at Springbrook recorded April 12, 2005, as Document #200507312 in the Records of Yamhill County, Oregon (the "Declaration"). Declarant also caused to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as Document #200507310 in the Records of Yamhill County, Oregon.

WHEREAS, such Declaration established The Greens at Springbrook Homeowners Association (the "Association").

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The Greens at Springbrook No. 2 to the Declaration, as such Declaration has been or may be amended, and define the Association’s obligations to the Additional Property (as such term is defined below).

NOW, THEREFORE, Declarant hereby declares as follows:

1. PROPERTY ANNEXED. Declarant hereby declares that all the property described below (the "Additional Property") shall be annexed to the Declaration as Property (as such term is defined in the Declaration) and that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the Declaration to the same extent as if originally included in the Declaration, as such Declaration has been or may be amended:

All that certain, real property located in Yamhill County, Oregon, in that certain Plat entitled “The Greens at Springbrook No. 2” filed in the Plat Records of Yamhill County, Oregon, recorded concurrently herewith.
2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

(a) “Lot”, which shall consist of Lots 53 - 117 of the Plat of the Additional Property;
(b) “Lot Easement Area”, which shall consist of those portions of any Lot subject to any easement benefiting the Association.
(c) “Public Area”, which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
(d) “Common Area”, which shall consist of Tract D.

3. **ASSOCIATION’S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled “The Greens at Springbrook No. 2”, filed in the Plat Records of Yamhill County, Oregon (the “Plat”), recorded concurrently herewith and incorporated herein by reference.

Except as otherwise provided, the Association hereby reserves a private storm drainage easement located on Lots 88 through 90, benefiting said Lots and Lot 91; and on Lots 94 through 99 benefiting said Lots and Lot 93; and Lots 100 through 104 and Lot 117 benefiting said Lots and Lot 116. All such private storm drainage easements are more particularly set forth on the Plat. All Lots subject to the private storm drainage easement shall be maintained by the Declarant, their Successors and/or Assigns (including, but not limited to, subsequent Owners (as such term is defined in the Declaration)), pursuant to the Declaration.

Except as otherwise provided, the Association hereby reserves a private sanitary sewer easement located on Lots 98 and 99, benefiting Lots 97 and 98. Such private sanitary sewer easements are more particularly set forth on the Plat. The subject Lots shall be maintained by the Declarant, their Successors and/or Assigns (including, but not limited to, subsequent Owners (as such term is defined in the Declaration)), pursuant to the Declaration.

The Association shall own and maintain, pursuant to the Declaration, Common Area “Tract D”, a pedestrian access area that is located within the Additional Property, as more particularly set forth on the Plat.

4. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 2) as of the date first above written.

DECLARANT:

By: 

Mike Loomis, Vice President Land Development
D.R. Horton, Inc. - Portland

STATE OF OREGON

County of Multnomah

This instrument was acknowledged before me on this 11th day of July, 2005, by Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware corporation.

NOTARY PUBLIC FOR OREGON
My Commission Expires: October 31, 2006

DECLARANT:

By: 

Jeffrey D. Smith, President
The Greens at Springbrook, LLC

STATE OF OREGON

County of Multnomah

This instrument was acknowledged before me on this 11th day of July, 2005, by Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability company.

NOTARY PUBLIC FOR OREGON
My Commission Expires: October 31, 2016
FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE GREENS AT SPRINGBROOK

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE GREENS AT SPRINGBROOK (this “First Amendment”) is made and entered into effect this 14th day of December 2005, by D.R. Horton, Inc.-Portland, a Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company (collectively, the “Declarant”) and by “The Greens at Springbrook Homeowner’s Association” (the “Association”).

RECITALS:

WHEREAS, the Declarant caused that certain Declaration of Covenants, Conditions, and Restrictions for The Greens at Springbrook to be recorded on April 12, 2005, Document No. 200507312 in Yamhill County, Oregon (the “Declaration”).

WHEREAS, the Declarant caused that certain Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 2) to be recorded on September 27, 2005 as Doc. No. 2005-21210, in the records of Yamhill County.

WHEREAS, pursuant to Article 12.6 and/or 12.9 of the Declaration, Declarant desires to amend the Declaration as provided herein, to define the term “Investment Property” and to provide for the addition of a provision in the Declaration that places limitations upon Investment Property (as such term is defined herein) located within The Greens at Springbrook. Capitalized terms not defined herein shall have the meaning given in the Declaration, except as otherwise indicated.

The Declaration is hereby amended as follows:

1. Section 1.23. Section 1.23 of the Definitions section of the Declaration is hereby added to include the following language:

“1.23. “Investment Property” shall mean any Lot in which the Occupant of the Home located upon such Lot is not the Owner of such Home.”
2. Section 4.6. Section 4.6 of the Declaration is hereby amended to include the following language immediately following Section 4.6(d):

"(e) Limitation/Cap Regarding Investment Property. At any given time, Investment Property shall not make up greater than twenty five percent (25%) of the total Lots located within The Greens at Springbrook. Occupancy of Investment Property shall be limited to the tenant, such tenant’s visitors and guests. At least fifteen (15) days prior to entering into any rental or lease agreement, an Owner must notify the Board of Directors in writing of such Owner’s intent, the name and address of the proposed tenant and the circumstances of the proposed rental arrangement. If the Board of Directors finds that such proposed tenancy will not exceed the limitation on Investment Property described in the first sentence of this subsection and otherwise is not detrimental to the Association and The Greens at Springbrook, the Board of Directors will approve such tenancy. Provided, however, such tenants shall always be under the control of and subject to all provisions of the Declaration, Bylaws and Rules and Regulations. At any time during the tenancy, the Board of Directors may cause the termination of such tenancy and evict such tenants for cause with or without joining the Owner of such Lot/Home in any such action."

3. Effect of Amendment. Except as expressly amended hereby the Declaration remains in full force and effect.

4. Certification. The undersigned Declarant certifies that this First Amendment has been approved in the manner required by Article 12.6 and/or 12.9 of the Declaration.

IN WITNESS WHEREOF, the undersigned Declarant has hereto set its hand and seal this 7th day of December, 2005.

D.R. HORTON, INC.-PORTLAND
a Delaware corporation

By: 

Mike Loomis
Its: Vice President Land Development

STATE OF OREGON )
) ss.
County of Multnomah )

The foregoing instrument was acknowledged before me this 11th day of December, 2005, by Mike Loomis, who is Vice President Land Development for D.R. Horton, Inc.-Portland, a Delaware corporation, on behalf of the corporation.

Notary Public for Oregon
My commission expires 08/16/2006
J.T. SMITH COMPANIES

an Oregon limited liability company

By: [Signature]
1st President

STATE OF OREGON

) ss.
County of Multnomah

The foregoing instrument was acknowledged before me this 9th day of December, 2005, by Jeffrey D. Smith who is the President of J.T. Smith Companies.

Notary Public for Oregon
My commission expires 10/31/2005

The Greens at Springbrook Homeowner’s Association

By: [Signature]
Margaret L. Gazdagh
1st Secretary on behalf of the Association

STATE OF OREGON

) ss.
County of Multnomah

The foregoing instrument was acknowledged before me this 9th day of December, 2005, by Margaret L. Gazdagh who is the Secretary of The Greens at Springbrook Homeowner’s Association on behalf of the Association.

Notary Public for Oregon
My commission expires 10/31/2005
DECLARATION OF ANNEXATION TO
THE GREENS AT SPRINGBROOK
(The Greens at Springbrook No. 4)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK
is made as of this 24th day of March, 2006, by D.R. Horton, Inc.-Portland, a
Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company
(collectively as the “Declarant”).

RECATALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants,
Conditions and Restrictions for The Greens at Springbrook recorded April 12, 2005, as Document
#200507312 in the Records of Yamhill County, Oregon (the “Declaration”). Declarant also caused
to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as
Document #200507310 in the Records of Yamhill County, Oregon. WHEREAS, such Declaration
established The Greens at Springbrook Homeowners Association (the “Association”). WHEREAS,
Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at
Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon.
WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The
Greens at Springbrook No. 3, as Document #200607788 in the Records of Yamhill County,
Oregon.

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The
Greens at Springbrook No. 4 to the Declaration, as such Declaration has been or may be amended,
and define the Association’s obligations to the Additional Property (as such term is defined
below).

NOW, THEREFORE, Declarant hereby declares as follows:

1. PROPERTY ANNEXED. Declarant hereby declares that all the property
described below (the “Additional Property”) shall be annexed to the Declaration as Property (as
such term is defined in the Declaration) and that such property is held and shall be held, conveyed,
hypothecated, encumbered, used, occupied and improved subject to the Declaration to the same
extent as if originally included in the Declaration, as such Declaration has been or may be
amended:
All that certain, real property located in Yamhill County, Oregon, in that certain Plat entitled “The Greens at Springbrook No. 4” filed in the Plat Records of Yamhill County, Oregon, recorded concurrently herewith.

2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

   (a) “Lot”, which shall consist of Lots 177 – 181 of the Plat of the Additional Property;
   (b) “Public Area”, which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
   (c) “Common Area”, which shall consist of Tract J.
   (d) “Conservation Easement”, which is located on Lots 179 and 180 of the Plat of the Additional Property.

3. **ASSOCIATION’S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled “The Greens at Springbrook No. 3”, filed in the Plat Records of Yamhill County, Oregon (the “Plat”), recorded concurrently herewith and incorporated herein by reference.

   Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements within the boundaries of Common Area Tract J located within the Additional Property, as more particularly set forth on the plat.

4. **CONSERVATION EASEMENT.** Lots 179 and 180 are subject to a Conservation Easement recorded in the Yamhill County Records as document number 2005-28708. The aforementioned conservation easement is intended to preserve subject areas in their natural state. Minor improvements may be permitted in the easement area, subject to the easement beneficiary’s and ARC approval.

5. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

   [SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 4) as of the date first above written.

DECLARANT:

By: ____________________________
    Mike Loomis, Vice President Land Development
    D.R. Horton, Inc. - Portland

STATE OF OREGON )
    ) ss.
County of Multnomah )

This instrument was acknowledged before me on this 10th day of March, 2006, by Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware corporation.

[Signature]
Margaret L. Gazdag
NOTARY PUBLIC FOR OREGON
My Commission Expires: 04/26/09

DECLARANT:

By: ____________________________
    Jeffrey D. Smith, President
    The Greens at Springbrook, LLC

STATE OF OREGON )
    ) ss.
County of Multnomah )

This instrument was acknowledged before me on this 6th day of March, 2006, by Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability company.

[Signature]
Margaret L. Gazdag
NOTARY PUBLIC FOR OREGON
My Commission Expires: 04/26/09
DECLARATION OF ANNEXATION TO
THE GREENS AT SPRINGBROOK
(The Greens at Springbrook No. 3)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK
is made as of this ( ) day of March, 2006, by D.R. Horton, Inc.-Portland, a
Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company
(collectively as the “Declarant”).

RECITALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants,
Conditions and Restrictions for The Greens at Springbrook recorded April 12, 2005, as Document
#200507312 in the Records of Yamhill County, Oregon (the “Declaration”). Declarant also caused
to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as
Document #200507310 in the Records of Yamhill County, Oregon. WHEREAS, such Declaration
established The Greens at Springbrook Homeowners Association (the “Association”). WHEREAS,
Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at
Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon.

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The
Greens at Springbrook No. 3 to the Declaration, as such Declaration has been or may be amended,
and define the Association’s obligations to the Additional Property (as such term is defined
below).

NOW, THEREFORE, Declarant hereby declares as follows:

1. PROPERTY ANNEXED. Declarant hereby declares that all the property
described below (the “Additional Property”) shall be annexed to the Declaration as Property (as
such term is defined in the Declaration) and that such property is held and shall be held, conveyed,
hypothecated, encumbered, used, occupied and improved subject to the Declaration to the same
extent as if originally included in the Declaration, as such Declaration has been or may be amended:

All that certain, real property located in Yamhill County, Oregon, in that certain
Plat entitled “The Greens at Springbrook No. 3” filed in the Plat Records of
Yamhill County, Oregon, recorded concurrently herewith.
2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

(a) "Lot", which shall consist of Lots 118 – 176 of the Plat of the Additional Property;
(b) "Public Area", which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
(c) "Common Area", which shall consist of Tracts F, G, H, & I.
(d) "Landscape Easement", which shall consist of the open area on the back of Lots 173 – 175; the streetscape along Fernwood Road from Lot 156 – 157 and 162 – 164.
(e) "Lot Easement Area", which shall consist of those portions of any Lot subject to any easement benefiting the Association.
(f) "Fence Easement", which shall run along Fernwood Road from Lot 156 – 157 and 162 – 170.
(g) "Sanitary Sewer Easement", to the City of Newberg over Lots 148 – 151; 158 – 159; 135 – 136; and Tract “E”.
(h) "Private Access Easement", over Lots 149 and 151 for the benefit of Lot 150.

3. **ASSOCIATION’S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled “The Greens at Springbrook No. 3”, filed in the Plat Records of Yamhill County, Oregon (the “Plat”), recorded concurrently herewith and incorporated herein by reference.

Except as otherwise provided, the Association hereby reserves a private storm drainage easement located on Lot 124 and 132 benefiting said Lot and Lots 100 through 104 and Lot 117; Lot 120 benefiting said Lot and Lot 119; Lots 125 through 127 benefiting said Lots and Lot 124; and Lots 137 through 141 benefiting said Lots and Lot 136; Lot 134 and 135 benefiting said Lots and Lot 133. All such private storm drainage easements are more particularly set forth on the Plat. All Lots subject to the private storm drainage easement shall be maintained by the Declarant, their Successors and/or Assigns (including, but not limited to, subsequent Owners (as such term is defined in the Declaration)), pursuant to the Declaration.

Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements, excluding franchise utilities and City utilities, within the boundaries of Common Area Tracts F, G, H, and I located within the Additional Property, as more particularly set forth on the plat.

Except as otherwise provided, the Association shall maintain the Landscape Easement along the back of Lots 173, 174, 175 and 176 that are located within the Additional Property, as more particularly set forth on the Plat.

Except as otherwise provided, the Association shall own and pay for any maintenance and upkeep for the Fence along Fernwood Road from Lots 156, 157, and 162 through 171.

Except as otherwise provided, the Association shall maintain the Fence, Landscape, and PUE Easement located on the southeast portion of Lot 157.
4. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, Declarant has executed this Declaration of 
Annexation to The Greens at Springbrook (The Greens at Springbrook No. 3) as of the date first 
above written.

DECLARANT:

By: ____________________________
   Mike Loomis, Vice President Land Development
   D.R. Horton, Inc. - Portland

STATE OF OREGON )
   ) ss.
County of Multnomah )

This instrument was acknowledged before me on this 6th day of March, 2006, by 
Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware 
corporation.

OFFICIAL SEAL
MARGARET L. GAZDAHG
NOTARY PUBLIC-OREGON
COMMISSION NO. 392153
MY COMMISSION EXPIRES APR. 26, 2009

Margaret J. Gazdagh
My Commission Expires: 04/26/09

DECLARANT:

By: ____________________________
   Jeffrey D. Smith, President
   The Greens at Springbrook, LLC

STATE OF OREGON )
   ) ss.
County of Multnomah )

This instrument was acknowledged before me on this 6th day of March, 2006, by 
Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability 
company.

OFFICIAL SEAL
MARGARET L. GAZDAHG
NOTARY PUBLIC-OREGON
COMMISSION NO. 392153
MY COMMISSION EXPIRES APR. 26, 2009

Margaret J. Gazdagh
My Commission Expires: 04/26/09
FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE GREENS AT SPRINGBROOK

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR THE GREENS AT SPRINGBROOK (this
"Amendment") is approved and is hereby effective this 29th day of May, 2006.
Except those specifically amended herein, all other provisions remain in full force and
effect.

RECITALS

WHEREAS, the Declarant caused that certain Declaration of Covenants,
Conditions and Restrictions for The Greens at Springbrook (together with any
modifications or amendments thereto, if any, the "Declaration") that was recorded on
April 12, 2005 as Doc. No. 200507312 in the Yamhill County records.

WHEREAS, the Declarant also caused to be recorded that certain plat of The
Greens of Springbrook recorded April 12, 2005, as Document #200507310 in the
Records of Yamhill County, Oregon; WHEREAS, such Declaration established The
Greens at Springbrook Homeowners Association (the "Association"); WHEREAS,
Declarant also caused to be recorded September 27, 2005 that certain Declaration of
Annexation to The Greens at Springbrook No. 2, as Document #200521210 in the
Records of Yamhill County, Oregon; WHEREAS, Declarant also caused to be recorded
April 7, 2006 that certain Declaration of Annexation to The Greens at Springbrook No. 3,
as Document #200607788 in the Records of Yamhill County, Oregon; WHEREAS,
Declarant also caused to be recorded April 7, 2006 that certain Declaration of Annexation
to The Greens at Springbrook No. 4 as Document #200607782 in the Records of Yamhill
County;

NOW, THEREFORE, Declaration is hereby amended as follows:

1. Section 4.13. The "Fences and Hedges" section of the Declaration is hereby
amended and restated in full as follows:

"4.13. Fences and Hedges. No fences or boundary hedges shall be
installed without prior written approval of the ARC. Further all fences must
meet the City of Newberg Development Code Standards. Except as otherwise
provided in this Declaration, any fencing installed on Owner’s Lots either by
Owner, or by Declarant, will be Owner’s maintenance responsibility. All
fences that are Owner’s responsibility are to be maintained in a condition acceptable to the Board and ARC. Except as otherwise provided herein, no fencing will be permitted on Lots abutting the golf course property, including, but not limited to, Lots 49 – 63. Notwithstanding the foregoing, however, Lots 23, 24, 26 – 33, and 177 - 179 may submit for ARC approval for black aluminum or steel fencing (similar to the fence along the front of the community,) not to exceed four feet (4’) in height for rear and side property lines. Any side yard metal fencing may not be brought forward any more than five (5) feet from the rear of the house.

Side yard fencing on Lots that do not abut the golf course shall maintain a minimum five (5) foot setback from the front of the house. All fence materials, designs, and colors are subject to prior approval of the ARC.

No chain link fencing will be permitted for use as a perimeter fence. Chain link fencing for any other use shall not be visible from the street or another lot.

Declarant installed iron and mason walls and columns along Fernwood Road will be maintained by the Association.”

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS HEREOF, the undersigned hereby execute this document as of this,

Day of May, 2006.

D.R. HORTON, INC.-PORTLAND
a Delaware corporation

By: ____________________________
   Mike Loomis

Its: Vice President, Land Development

STATE OF OREGON)
     ss
County of Multnomah)

The foregoing instrument was acknowledged before me on May 9th, 2006, by
Mike Loomis, Vice President Land Development for D.R. Horton, Inc.-Portland, a
Delaware corporation, on behalf of the corporation.

Margaret L. Gazdag
Notary Public for Oregon
My commission expires: 04/26/09

The Greens at Springbrook Homeowner’s
Association

By: ____________________________
   Jeffrey D. Smith
   Its: President on behalf of the Association

STATE OF OREGON
     ss
County Of Multnomah

The foregoing instrument was acknowledged before me this 9th day of May,
2006, by Jeffrey D. Smith who is the President of The Greens at Springbrook
Homeowner’s Association on behalf of the Association.

Margaret L. Gazdag
Notary Public for Oregon
My commission expires: 04/26/09
SECOND AMENDMENT AND RESTATEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE GREENS AT SPRING BROOK

THIS SECOND AMENDMENT AND RESTATEMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE GREENS AT SPRING BROOK (this "Amendment") is approved and is hereby effective this __27__ day of __June__, 2006. Except those specifically amended herein, all other provisions remain in full force and effect.

RECITALS

WHEREAS, the Declarant caused that certain Declaration of Covenants, Conditions and Restrictions for The Greens at Springbrook (together with any modifications or amendments thereto, if any, the "Declaration") that was recorded on April 12, 2005 as Doc. No. 200507312 in the Yamhill County records.

WHEREAS, the Declarant also caused to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as Document #200507310 in the Records of Yamhill County, Oregon; WHEREAS, such Declaration established The Greens at Springbrook Homeowners Association (the "Association"); WHEREAS, Declarant also caused to be recorded September 27, 2005 that certain Declaration of Annexation to The Greens at Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon; WHEREAS, Declarant also caused to be recorded April 7, 2006 that certain Declaration of Annexation to The Greens at Springbrook No. 3, as Document #200607788 in the Records of Yamhill County, Oregon; WHEREAS, Declarant also caused to be recorded April 7, 2006 that certain Declaration of Annexation to The Greens at Springbrook No. 4 as Document #200607782 in the Records of Yamhill County; WHEREAS, Declarant also caused to be recorded May 31, 2006 that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for The Greens at Springbrook as Document #200612073 in the Records of Yamhill County, Oregon;

NOW, THEREFORE, Declaration is hereby amended and restated as follows:

1. Section 4.13. The “Fences and Hedges” section of the Declaration is hereby amended and restated in full as follows:
“4.13. Fences and Hedges. No fences or boundary hedges shall be installed without prior written approval of the ARC. Further all fences must meet the City of Newberg Development Code Standards. Except as otherwise provided in this Declaration, any fencing installed on Owner’s Lots either by Owner, or by Declarant, will be Owner’s maintenance responsibility. All fences that are Owner’s responsibility are to be maintained in a condition acceptable to the Board and ARC. Side yard fencing on Lots that do not abut the golf course shall maintain a minimum five (5) foot setback from the front of the house. All fence materials, designs, and colors are subject to prior approval of the ARC.

Except as otherwise provided herein, no fencing will be permitted on any Lot abutting a green or a fairway, including, but not limited to, Lots 49 – 63.

No chain link fencing will be permitted for use as a perimeter fence. Chain link fencing for any other use shall not be visible from the street or another lot.

Declarant installed iron and mason walls and columns along Fernwood Road will be maintained by the Association.”

SIGNATURES ON FOLLOWING PAGE
IN WITNESS WHEREOF, the undersigned hereby execute this document as of this, 27th Day of June, 2006.

D.R. HORTON, INC.-PORTLAND
a Delaware corporation

By: [Signature]

Mike Loomis
Its: Vice President, Land Development

STATE OF OREGON)
) ss
County of Multnomah)

The foregoing instrument was acknowledged before me on June 27, 2006, by Mike Loomis, Vice President Land Development for D.R. Horton, Inc.-Portland, a Delaware corporation, on behalf of the corporation.

[Signature]
Notary Public for Oregon
My commission expires: 04-26-09

The Greens at Springbrook Homeowner’s
Association

By: [Signature]
Jeffrey D. Smith
Its: President on behalf of the Association

STATE OF OREGON )
) ss
County Of Multnomah )

The foregoing instrument was acknowledged before me this 27th day of June, 2006, by Jeffrey D. Smith who is the President of The Greens at Springbrook Homeowner’s Association on behalf of the Association.

[Signature]
Notary Public for Oregon
My commission expires: 04-26-09
DECLARATION OF ANNEXATION TO
THE GREENS AT SPRINGBROOK
(Greens at Springbrook No. 5)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK
is made as of this 23rd day of August, 2006, by D.R. Horton, Inc.-Portland, a
Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company
(collectively as the “Declarant”).

RECITALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants,
Conditions and Restrictions for the Greens at Springbrook recorded April 12, 2005, as Document
#200507312 in the Records of Yamhill County, Oregon (the “Declaration”). Declarant also caused
to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as
Document #200507310 in the Records of Yamhill County, Oregon. WHEREAS, such Declaration
established The Greens at Springbrook Homeowners Association (the “Association”). WHEREAS,
Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at
Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon.
WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The
Greens at Springbrook No. 3, as Document #200607788 in the Records of Yamhill County,
Oregon. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation
to The Greens at Springbrook No. 4, as Document #200607782 in the Records of Yamhill County,
Oregon. WHEREAS, Declarant also caused to be recorded that certain First Amendment to
Declaration of Covenants, conditions and Restrictions for The Greens at Springbrook, as
Document #200612073 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also
caus ed to be recorded that certain Second Amendment and Restatement to Declaration of
Covenants, Conditions and Restrictions for The Greens at Springbrook, as Document #200614755.

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The
Greens at Springbrook No. 5 to the Declaration, as such Declaration has been or may be amended,
and define the Association’s obligations to the Additional Property (as such term is defined below).

NOW, THEREFORE, Declarant hereby declares as follows:

1. PROPERTY ANNEXED. Declarant hereby declares that all the property
described below (the “Additional Property”) shall be annexed to the Declaration as Property (as
such term is defined in the Declaration) and that such property is held and shall be held, conveyed,
hypothesized, encumbered, used, occupied and improved subject to the Declaration to the same extent as if originally included in the Declaration, as such Declaration has been or may be amended:

All that certain, real property located in Yamhill County, Oregon, in that certain Plat entitled “The Greens at Springbrook No. 5” filed in the Plat Records of Yamhill County, Oregon, recorded concurrently herewith.

2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

   (a) “Lot”, which shall consist of Lots 182 – 193 of the Plat of the Additional Property;
   (b) “Public Area”, which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
   (c) “Common Area”, which shall consist of Tract K.
   (d) “Sanitary Sewer Easement”, to the City of Newberg, over the south side of Lot 192.

3. **AMENDMENT TO DECLARATION.** Article 4, 4.13, Fences and Hedges, sets forth “No perimeter fencing shall be allowed on any Lot abutting any golf course green or fairway including, but not limited to, Lots 49-52 of the Plat.” Such language shall now include the newly annexed Lots 183 – 193.

4. **ASSOCIATION’S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled “The Greens at Springbrook No. 5”, filed in the Plat Records of Yamhill County, Oregon (the “Plat”), recorded concurrently herewith and incorporated herein by reference.

   Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements within the boundaries of Common Area Tract K located within the Additional Property, as more particularly set forth on the plat.

4. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

2/3
IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 5) as of the date first above written.

DECLARANT:

By: Mike Loomis, Vice President Land Development
D.R. Horton, Inc. - Portland

STATE OF OREGON

County of Multnomah

This instrument was acknowledged before me on this 23rd day of August, 2006, by Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware corporation.

Margaret L. Gazdag
NOTARY PUBLIC FOR OREGON
My Commission Expires: April 26, 2009

DECLARANT:

By: Jeffrey D. Smith, President
The Greens at Springbrook, LLC

STATE OF OREGON

County of Multnomah

This instrument was acknowledged before me on this 23rd day of August, 2006, by Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability company.

Julie Journeyay
NOTARY PUBLIC FOR OREGON
My Commission Expires: October 31, 2006

3/3
DECLARATION OF ANNEXATION TO
THE GREENS AT SPRINGBROOK
(Greens at Springbrook No. 6)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRINGBROOK
is made as of this 23rd day of August, 2006, by D.R. Horton, Inc.-Portland, a
Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company
(collectively as the “Declarant”).

RECITALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants,
Conditions and Restrictions for the Greens at Springbrook recorded April 12, 2005, as Document
#200507312 in the Records of Yamhill County, Oregon (the “Declaration”). Declarant also caused
to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as
Document #200507310 in the Records of Yamhill County, Oregon. WHEREAS, such Declaration
established The Greens at Springbrook Homeowners Association (the “Association”). WHEREAS,
Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at
Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon.
WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The
Greens at Springbrook No. 3, as Document #200607788 in the Records of Yamhill County,
Oregon. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation
to The Greens at Springbrook No. 4, as Document #200607782 in the Records of Yamhill County,
Oregon. WHEREAS, Declarant also caused to be recorded that certain First Amendment to
Declaration of Covenants, conditions and Restrictions for The Greens at Springbrook, as
Document #200612073 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also
causéd to be recorded that certain Second Amendment and Restatement to Declaration of
Covenants, Conditions and Restrictions for The Greens at Springbrook, as Document #200614755.
WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The
Greens at Springbrook No. 5, as Document #200628453 in the Records of Yamhill County,
Oregon.

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The Greens at
Springbrook No. 6 to the Declaration, as such Declaration has been or may be amended, and define
the Association’s obligations to the Additional Property (as such term is defined below).

NOW, THEREFORE, Declarant hereby declares as follows:
1. **PROPERTY ANNEXED.** Declarant hereby declares that all the property described below (the “Additional Property”) shall be annexed to the Declaration as Property (as such term is defined in the Declaration) and that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the Declaration to the same extent as if originally included in the Declaration, as such Declaration has been or may be amended:

All that certain, real property located in Yamhill County, Oregon, in that certain Plat entitled “The Greens at Springbrook No. 6” filed in the Plat Records of Yamhill County, Oregon, recorded concurrently herewith.

2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

   (a) “Lot”, which shall consist of Lots 194 – 244 of the Plat of the Additional Property;
   (b) “Public Area”, which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
   (c) “Public Access Easement” and “Utility Easement”, across the northeast corner of Lot 201.

3. **AMENDMENT TO DECLARATION.** Article 4, 4.13, Fences and Hedges, sets forth “No perimeter fencing shall be allowed on any Lot abutting any golf course green or fairway including, but not limited to, Lots 49-52 of the Plat.” Such language shall now include the newly annexed Lots 194 – 208, 213 – 218, and 220 – 221. Lots 209 – 212 are allowed perimeter fencing with the exception of the side yard of Lot 212 which abuts the golf course. Lot 212 may submit for ARC approval for black aluminum or steel fencing (similar to the fence along the front of the community,) not to exceed four feet (4’”) in height, or vegetative screening.

4. **ASSOCIATION’S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled “The Greens at Springbrook No. 6”, filed in the Plat Records of Yamhill County, Oregon (the “Plat”), recorded concurrently herewith and incorporated herein by reference.

   Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements within the boundaries of Common Area Tract K located within the Additional Property, as more particularly set forth on the plat.

   Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements in the planter strip area located between Lots 200 and 201.

5. **HOMEOWNER’S OBLIGATIONS UPON ADDITION PROPERTY.** Except as otherwise provided, the Homeowner, and all successors or assigns, of Lot 194 shall provide maintenance, irrigation, upkeep and replacement of any Declarant installed improvements in the
planter strip area located between and east of Lots 63 and 194; Homeowner, and all successors or assigns, of Lot 244 shall provide maintenance, irrigation, upkeep and replacement of any Declarant installed improvements in the planter strip area located between west of Lots 243 and 244; and Homeowner, and all successors or assigns, of Lot 211 shall provide maintenance, irrigation, upkeep and replacement of any Declarant installed improvements in the planter strip area located between and west of Lots 193 and 211.

Except as otherwise provided, the Homeowner, and all successors or assigns, of Lot 201 shall provide maintenance, irrigation, upkeep and replacement of any Declarant installed improvements located on the northeast corner of said Lot.

6. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

(SIGNATURES ON FOLLOWING PAGE)
IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 6) as of the date first above written.

DECLARANT:

By: 

Mike Loomis, Vice President Land Development
D.R. Horton, Inc. - Portland

STATE OF OREGON )
) ss.
County of Multnomah )

This instrument was acknowledged before me on this 23rd day of August, 2006, by Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware corporation.

NOTARY PUBLIC FOR OREGON
My Commission Expires: April 26, 2009

[Seal]

DECLARANT:

By: 

Jeffrey D. Smith, President
The Greens at Springbrook, LLC

STATE OF OREGON )
) ss.
County of Multnomah )

This instrument was acknowledged before me on this 23rd day of August, 2006, by Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability company.

NOTARY PUBLIC FOR OREGON
My Commission Expires: October 31, 2006

[Seal]
DECLARATION OF ANNEXATION TO
THE GREENS AT SPRING BROOK
(Greens at Springbrook No. 7)

THIS DECLARATION OF ANNEXATION TO THE GREENS AT SPRING BROOK is made as of this ___ day of __________, 2007, by D.R. Horton, Inc.-Portland, a Delaware corporation and The Greens at Springbrook, LLC, an Oregon limited liability company (collectively as the "Declarant").

RECITALS

WHEREAS, Declarant caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions for the Greens at Springbrook recorded April 12, 2005, as Document #200507312 in the Records of Yamhill County, Oregon (the "Declaration"). Declarant also caused to be recorded that certain plat of The Greens of Springbrook recorded April 12, 2005, as Document #200507310 in the Records of Yamhill County, Oregon. WHEREAS, such Declaration established The Greens at Springbrook Homeowners Association (the "Association"). WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at Springbrook No. 2, as Document #200521210 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at Springbrook No. 3, as Document #200607788 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at Springbrook No. 4, as Document #200607782 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also caused to be recorded that certain First Amendment to Declaration of Covenants, conditions and Restrictions for The Greens at Springbrook, as Document #200612073 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also caused to be recorded that certain Second Amendment and Restatement to Declaration of Covenants, Conditions and Restrictions for The Greens at Springbrook, as Document #200614755. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at Springbrook No. 5, as Document #200628456 in the Records of Yamhill County, Oregon. WHEREAS, Declarant also caused to be recorded that certain Declaration of Annexation to The Greens at Springbrook No. 6, as Document #____________________ in the Records of Yamhill County, Oregon.

WHEREAS, pursuant to Article 2 of the Declaration, Declarant wishes to annex The Greens at Springbrook No. 7 to the Declaration, as such Declaration has been or may be amended, and define the Association’s obligations to the Additional Property (as such term is defined below).

NOW, THEREFORE, Declarant hereby declares as follows:
1. **PROPERTY ANNEXED.** Declarant hereby declares that all the property described below (the "Additional Property") shall be annexed to the Declaration as Property (as such term is defined in the Declaration) and that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to the Declaration to the same extent as if originally included in the Declaration, as such Declaration has been or may be amended:

   All that certain, real property located in Yamhill County, Oregon, in that certain Plat entitled "The Greens at Springbrook No. 7" filed in the Plat Records of Yamhill County, Oregon, recorded concurrently herewith.

2. **LAND CLASSIFICATIONS.** Unless specified in this Declaration of Annexation, uses, treatment, and maintenance of subject Land Classifications shall be handled the same as the original Declaration. All of the land within the Additional Property is included in one or another of the following classifications:

   (a) "Lot", which shall consist of Lots 245 – 295 of the Plat of the Additional Property;
   (b) "Public Area", which shall consist of the streets and public rights-of-way as shown on the Plat of the Additional Property.
   (c) "Common Area", which shall consist of Tract "M".
   (d) "Tract L", which shall be owned and maintained by Chehalem Parks and Recreation District.
   (e) "Golf Course Easement", to the Chehalem Parks and Recreation District per Instrument No. 0517, which is located across the back yards of Lots 275, 276, and 278 as shown on the plat. Said easement shall be for the exclusive use of CPRD and no private facilities and/or private uses may encroach into this easement without written consent of CPRD.
   (f) "Public Water Line Easement" which is located across the back yards of Lots 278 – 295 per Instrument No. 200213432.
   (g) "Gas Pipeline Easement" which is located across the back yards of Lots 278 – 295 per Instrument No. 200225412.

3. **AMENDMENT TO DECLARATION.** Article 4, 4.13, Fences and Hedges, sets forth "No perimeter fencing shall be allowed on any Lot abutting any golf course green or fairway including, but not limited to, Lots 49-52 of the Plat." Such language shall now include the newly annexed Lots 275 – 278.

4. **ASSOCIATION'S OBLIGATIONS UPON ADDITIONAL PROPERTY.** All of the Additional Property is subject to the notes and easements set forth on the Plat entitled "The Greens at Springbrook No. 7", filed in the Plat Records of Yamhill County, Oregon (the "Plat"), recorded concurrently herewith and incorporated herein by reference.

   Except as otherwise provided, the Association shall own and pay for any maintenance, upkeep and replacement of any Declarant installed improvements within the boundaries of
Common Area Tract "M" located within the Additional Property, as more particularly set forth on the plat.

5. **HOMEOWNER'S OBLIGATIONS UPON ADDITION PROPERTY.** Except as otherwise provided, there shall be no private facilities and/or private use encroachment into the Golf Course Easement to the Chehalem Parks and Recreation District across the backs of Lots 275, 276 and 278 as shown on the plat, including fencing per the Second Amendment and Restatement to Declaration of Covenants, Conditions and Restrictions for the Greens at Springbrook, document No. 200614755.

   Except as otherwise provided, there shall be no impairment or interference with the use and maintenance of utilities located in the 20' public water line easement across the back of Lots 278 through 295.

   Except as otherwise provided, Lots 248 – 261 are subject to a private storm drainage easement, benefiting said Lots and Lot 262; Lots 265 – 269 are subject to a private storm drainage easement, benefiting said Lots and Lot 270; Lots 272 – 274 are subject to a private storm drainage easement, benefiting said Lots and Lot 271.

All private storm drainage easements are more particularly set forth on the Plat. All lots subject to the private storm drainage easement shall be maintained by the Declarant, Its Successors or Assigns including, but not limited to, subsequent Owners (as such term is defined in the Declaration), pursuant to the Declaration.

6. **EFFECT OF ANNEXATION.** Except as expressly amended hereby, and by any previously recorded amendments, if any, the Declaration shall remain unchanged and in full force and effect.

(SIGNATURES ON FOLLOWING PAGE)
IN WITNESS WHEREOF, Declarant has executed this Declaration of Annexation to The Greens at Springbrook (The Greens at Springbrook No. 7) as of the date first above written.

DECLARANT:
By: Mike Loomis, Vice President Land Development D.R. Horton, Inc. - Portland

STATE OF OREGON )
) ss.
County of Multnomah )

This instrument was acknowledged before me on this 18th day of June, 2007, by Mike Loomis as Vice President of Land Development for D.R. Horton, Inc. - Portland, a Delaware corporation.

Margaret L. Gazdagh
NOTARY PUBLIC FOR OREGON
My Commission Expires: April 26, 2009

DECLARANT:
By: Jeffrey D. Smith, President The Greens at Springbrook, LLC

STATE OF OREGON )
) ss.
County of Multnomah )

This instrument was acknowledged before me on this 18th day of June, 2007, by Jeffrey D. Smith as President for The Greens at Springbrook, LLC, an Oregon limited liability company.

Margaret L. Gazdagh
NOTARY PUBLIC FOR OREGON
My Commission Expires: April 26, 2009
ASSIGNMENT OF DECLARANT’S RIGHTS

PARTIES:

Assignor: The Greens at Springbrook, LLC
(aka Oakridge Estates Development Corporation)

Assignee: Werth Family, LLC

DATE: January 7, 2010

RECITALS:

Pursuant to a Settlement Agreement and Release dated January 7, 2010 ("Agreement"), Assignor has agreed to assign to Assignee, pursuant to this assignment, all rights it has under the Declaration of Covenants, Conditions and Restrictions for The Greens at Springbrook, and any amendments thereto, recorded in the Yamhill County real property records on April 12, 2005 as document number 200507312 (the "Declaration").

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, receipt whereof is hereby acknowledged by the Parties, the Parties hereby covenant and agree as follows. References to sections or paragraphs, unless otherwise indicated, shall refer to sections and paragraphs in this Document.

1 - ASSIGNMENT OF DECLARANT’S RIGHTS
1. Assignment.

Assignor hereby grants, transfers and assigns to Assignee, its successors and assigns, all of the right, title and interest of Assignor in and to the Declaration.

2. Warranties of Assignor.

Assignor hereby warrants unto Assignee that:

(a) Assignor has made no assignment of any of Assignor's rights under the Declaration other than this Assignment;

(b) Assignor has neither done any act nor omitted to take any act which might prevent Assignee from or limit Assignee in acting under any of the provisions of this Assignment or in exercising any of its rights hereunder;

(c) Assignor is not prohibited under any agreement with any other person or by any judgment or decree from (i) executing and delivering this Assignment or transferring and assigning its rights in and to the Declaration; (ii) performing and observing each and every condition of Assignor under either this Assignment or the Declaration; and (iii) meeting and satisfying each and every condition contained in this Assignment; and

(d) No action has been brought or, so far as is known to Assignor, is threatened which in any way does or in any way would interfere with Assignor's right to execute this Assignment and to perform all of Assignor's obligations as contained in this Assignment and in the Declaration.

(e) The person executing this Assignment on behalf of Assignor has full power and authority to bind Assignor and to act on its behalf.


3.01 Successors and Assigns. This Assignment shall be binding upon Assignor, its legal representatives, successors and assigns, and shall be for the benefit of Assignee and its successors and assigns.

3.02 Terminology. All personal pronouns used in this Assignment, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Captions and Articles are for convenience only and shall neither limit nor amplify the provisions of this Assignment.
3.03 **Severability.** If any provision of this Assignment or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, then the remainder of this Assignment and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

3.04 **Notice.** Except as otherwise provided in this Agreement, all notices and consents required or permitted under this Agreement shall be in writing and may be telexed, telexed, telecopied, cabled, delivered by hand, or mailed by first class registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Assignor: Jessica S. Cain  
Gunn Cain & Kinney LLP  
700 Deborah Road, Suite 250  
Newberg, OR 97132  
503-538-8318  
503-537-0591 Facsimile

If to Assignee: J. Kurt Kraemer  
McEwen Gisvold LLP  
1100 SW 6th Avenue, Suite 1600  
Portland, OR 97204  
503-226-7321  
503-243-2687 Facsimile

Changes in the respective addresses to which such notices may be directed may be made from time to time by either party by notice to the other party. Notices and consents by mail in accordance with this paragraph shall be deemed to have been given two days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

3.05 **Cumulative Rights.** The rights granted Assignee under this Assignment or allowed it by law or equity shall be cumulative and may be exercised at any time and from time to time. No failure on the part of Assignee to exercise, and no delay in exercising, any right shall be construed or deemed to be a waiver thereof, nor shall any single or partial exercise by Assignee of any right preclude any other or future exercise thereof or the exercise of any other right.

3.06 **Indemnification.** Assignor hereby indemnifies and holds harmless Assignee from and against any and all third party claims, suits, damages, proceedings, costs and expenses, including legal and other professional fees, howsoever and by whomsoever and whenever asserted arising out of or in any way connected with any conduct alleged prior to the date of the Assignment. Assignee hereby indemnifies and holds harmless Assignor from and against any and all third party claims, suits, damages, proceedings, costs and expenses, including legal and other professional
fees, howsoever and by whosoever and whenssoever asserted arising out of or in any way connected with any conduct alleged from the date of the Assignment.

3.07 **No Obligations Imposed Upon Assignor.** Nothing contained herein shall operate or be construed to obligate Assignor to perform any of the terms, covenants and conditions contained in the Declaration.

3.08 **Applicable Law.** The law of the State of Oregon shall govern the validity, interpretation, construction, and performance of this Assignment.

3.09 **Entire Agreement.** This Assignment constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and no representations or inducements, oral or otherwise, not contained herein shall be of any force or effect.

3.10 **No Third Person Shall Have Any Rights Hereunder.** This Assignment is made entirely for the benefit of Assignor, Assignee and its successors in interest, and no third person shall have any rights hereunder.

3.11 **Further Assurances.** Each party agrees (a) to execute and deliver such other documents and (b) to do and perform such other acts and things, as any other party may reasonably request, to carry out the intent and purposes of this Assignment.

3.12 **Binding Effect.** This Assignment will be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assign
IN WITNESS WHEREOF, Borrower has signed this instrument as of the date first above written.

OAKRIDGE ESTATES DEVELOPMENT CORPORATION

By: JEFF SMITH
Print Name: JEFF SMITH
Its: PRESIDENT

STATE OF OREGON, County of Yamhill ) ss.

PERSONALLY APPEARED Jeffrey D. Smith, who, being duly sworn, did say that he is the President of Oakridge Estates Development Corporation, a corporation, and said instrument was signed on behalf of said corporation by authority of its board of directors; and acknowledged said instrument to be its voluntary act and deed this 8th day of January, 2010.

BEFORE ME:

__________________________
Notary Public for Oregon
My Commission Expires: OCTOBER 31, 2010

THE GREENS AT SPRINGBROOK, LLC

By: JEFF SMITH
Print Name: JEFF SMITH
Its: MANAGING MEMBER

STATE OF OREGON, County of Yamhill ) ss.

PERSONALLY APPEARED Jeffrey D. Smith, who, being duly sworn, did say that he is a member of The Greens at Springbrook, LLC, an Oregon limited liability company, and said instrument was signed on behalf of said company and acknowledged said instrument to be its voluntary act and deed this 8th day of January, 2010.

BEFORE ME:

__________________________
Notary Public for Oregon
My Commission Expires: OCTOBER 31, 2010

5 - ASSIGNMENT OF DECLARANT’S RIGHTS
Statement of Association Information

For
THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION
(pursuant to ORS 94.667)

Name of Association: The name is The Green at Springbrook Homeowners Association

Treasurer Information: The authorized representative to receive assessments for the Association is:
Northwest Community Management Company, LLC
A division of The Management Trust
PO Box 23099
Tigard, Oregon 97281-3099
(Tel) 503-670-8111

Property Subject to Assessment by the Association:

Documents Recorded in the Deed Records of Yamhill County:

STATE OF OREGON )
) ss.
County of Washington )

I, Marshall Fant, being first duly sworn, say that I am the Agent for The Greens at Springbrook Homeowners Association, named in the forgoing instrument; that I have knowledge of the facts therein set forth; that all statements made in this instrument are true and correct as I verily believe.

[Signature]
Marshall Fant, Agent

SUBSCRIBED AND SWORN to before me this 20 day of October, 2008,

By Elizabeth F. Ribera
(Notary Public for Oregon)
Statement of Association Information

For
THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION
(pursuant to ORS 94.667)

Name of Association: The name is The Green at Springbrook Homeowners Association

Treasurer Information: The authorized representative to receive assessments for the Association on and after March 1, 2010 is:
Blue Mountain Community Management
12725 SW 66th Avenue, Suite 107
Portland, OR 97223
(Tel) 503-332-2047

Property Subject to Assessment by the Association:

Documents Recorded in the Deed Records of Yamhill County:

STATE OF OREGON )
ss.
County of Washington )

I, Marshall Fant, being first duly sworn, say that I am the Agent for The Green at Springbrook Homeowners Association named in the foregoing instrument; that I have knowledge of the facts therein set forth; that all statements made in this instrument are true and correct as I verily believe.

Marshall Fant, Agent

SUBSCRIBED AND SWORN to before me this 27th day of January, 2010,

By Tara Spitzzeri
NOTARY PUBLIC FOR OREGON
BYLAWS OF
THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION
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BYLAWS OF

THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION

ARTICLE 1.

DEFINITIONS

1.1 Association. “Association” means THE GREENS AT SPRINGBROOK HOMEOWNERS ASSOCIATION, a nonprofit corporation organized and existing under the laws of the State of Oregon.

1.2 Articles of Incorporation. “Articles of Incorporation” means the Articles of Incorporation of the Association.

1.3 Declaration. The “Declaration” means the Declaration of Protective Covenants, Conditions, and Restrictions for The Greens At Springbrook to which these Bylaws are attached, as the same may be subsequently amended or supplemented pursuant to the terms thereof.

1.4 Incorporation by Reference. Except as otherwise provided herein, the terms that are defined in Section 1 of the Declaration are used in these Bylaws as therein defined.

ARTICLE 2.

MEMBERSHIP

2.1 Membership. Every Owner of one or more Lots within the Property shall, immediately upon creation of the Association and thereafter during the entire period of such ownership, 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.

2.2 Membership List. The Secretary shall maintain at the principal office of the Association a membership list showing the name and address of the Owner of each Lot. The Secretary may accept as satisfactory proof of such ownership a duly executed and acknowledged conveyance, a title insurance policy, or other evidence reasonably acceptable to the Board of Directors.
ARTICLE 3.

MEETINGS AND VOTING

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

3.2 **Turnover Meeting.** Declarant shall call the first meeting of the Owners to organize the Association within ninety (90) days after termination of the Class B membership as provided in Section 3.7 below. Notice of such meeting shall be given to all Owners as provided in Section 3.5. If the Declarant fails to call the meeting, the meeting may be called and notice given by any Owner or mortgagee of a Lot. The expense of giving notice shall be paid or reimbursed by the Association. No quorum is required for the Turnover Meeting. Nothing in this section shall be construed as preventing Declarant from calling the Turnover Meeting before such date or from calling informal, informational meetings of the Owners.

3.3 **Annual Meeting.** The annual meeting of the members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such reasonable hour and on such reasonable day as may be established by the Board of Directors or, if the Board should fail to designate a date by the first day of September, then the meeting shall occur at 7:00 p.m. on the second (1st) Monday in October. An annual meeting shall be held within each calendar year, commencing with the year in which the Association is incorporated. The Turnover Meeting may count as the annual meeting for the year in which it is held.

3.4 **Special Meetings.** A special meeting of the Association may be called at any time by the President or by a majority of the Board of Directors. A special meeting shall be called upon receipt of a written request stating the purpose of the meeting from members having at least thirty percent (30%) of the voting rights entitled to be cast at such meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of meeting.

3.5 **Notice of Meeting.**

(a) Written or printed notice stating the place, day and hour of the meeting, the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, any proposal to remove a director or officer and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) or more than fifty (50) days before the date of the meeting. Such notice shall be given either personally or by mail, by or at the direction of the President, the Secretary, or the persons calling the meeting, to each member entitled to vote at such meeting and to all mortgagees who have requested such notice. Notices to Declarant shall be mailed. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail, with postage fully prepaid thereon, addressed to the member at his or her most recent address as it appears on the records of the Association or to the mailing address of his or her Lot.

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(b) When a meeting is adjourned for thirty (30) days or more, or when a re-determination of the persons entitled to receive notice of the adjourned meeting is required by law, notice of the adjourned meeting shall be given as for an original meeting. In all other cases, no notice of the adjournment or of the business to be transacted at the adjourned meeting need be given other than by announcement at the meeting at which such adjournment is taken.

3.6 Quorum. At any meeting of the Association, except the Turnover Meeting, members having at least twenty percent (20%) of the voting rights entitled to be cast at such meeting, present in person or by proxy, shall constitute a quorum, except when a larger quorum is required by the Declaration. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a member or members. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time not less than forty-eight (48) hours or more than thirty (30) days from the time the original meeting was called until a quorum is present. The quorum for the adjourned meeting shall be reduced to ten percent (10%) of the voting rights entitled to be cast at the meeting, present in person or by proxy.

3.7 Voting Rights. Voting rights within the Association shall be allocated as follows:

(a) Residential Lots. Each Lot shall be entitled to one vote.

(b) Classes of Voting Membership. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to voting rights for each Lot owned computed in accordance with Section (a) above. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more voting rights be cast with respect to any Lot than as set forth in Section (a) above.

Class B. The Class B member shall be Declarant and shall be entitled to three times the voting rights computed under Section (a) 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 eighty percent (80%) of the total Lots in all phases of development of The Greens At Springbrook 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.

3.8 Fiduciaries and Joint Owners. An executor, administrator, guardian or trustee may vote, in person or by proxy, at any meeting of the Association with respect to any Lot
owned or held in such capacity, whether or not the same shall have been transferred to his or her name; provided that such person shall satisfy the Secretary that he or she is the executor, administrator, guardian or trustee, holding such Lot in such capacity. Whenever a Lot is owned by two or more persons jointly, according to the records of the Association, the vote or proxy of such Lot may be exercised by any one of the Owners then present, in the absence of protest by a co-Owner. In the event of disagreement among the co-Owners, the vote of such Lot shall be disregarded completely in determining the proportion of votes given with respect to such matter, unless a valid court order establishes the authority of a co-Owner to vote.

3.9 **Tenants and Contract Vendors.** Unless otherwise expressly stated in the rental agreement or lease, all voting rights allocated to a Lot shall be exercised by the Owner. Unless otherwise stated in the contract, all voting rights allocated to a Lot shall be exercised by the vendee of any recorded land sale contract on the Lot.

3.10 **Absentee Ballots and Proxies.** A vote may be cast in person, by absentee ballot or by proxy. A proxy given by an Owner to any person who represents such Owner at meetings of the Association shall be in writing and signed by such Owner, and shall be filed with the secretary, at any time prior to or at the start of the meeting. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting or to the Board of Directors if a vote is being conducted by written ballot in lieu of a meeting. A proxy shall not be valid if it is undated or purports to be revocable without notice. A proxy shall terminate one year after its date unless the proxy specifies a shorter term. Every proxy shall automatically cease upon sale of the Lot by its Owner. An Owner may pledge or assign such Owner’s voting rights to a mortgagee. In such a case, the mortgagee or its designated representative shall be entitled to receive all notices to which the Owner is entitled under these Bylaws and to exercise the Owner’s voting rights from and after the time that the mortgagee shall give written notice of such pledge or assignment to the Board of Directors. Any first mortgagee may designate a representative to attend all or any meetings of the Association.

3.11 **Majority Vote.** The vote of a majority of the voting rights entitled to be cast by the members present or represented by absentee ballot or proxy, at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law, by the Declaration, by the Articles of Incorporation, or by these Bylaws.


3.13 **Ballot Meetings.**

(a) At the discretion of the Board of Directors, any action that may be taken at any annual, regular or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every member who is entitled to vote on the matter; provided, however, that a ballot meeting may not substitute for the Turnover Meeting or, if a majority of the Lots are the principal residences of the occupants, for the annual meetings of the
Association. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.

(b) The Board of Directors shall provide Owners with at least ten (10) days’ notice before written ballots are mailed or otherwise delivered. If, at least three (3) days before written ballots are scheduled to be mailed or otherwise distributed, at least ten percent (10%) of the Owners petition the Board of Directors requesting secrecy procedures, a written ballot must be accompanied by a secrecy envelope, a return identification envelope to be signed by the Owner, and instructions for marking and returning the ballot. The notice shall state the general subject matter of the vote, the right of the Owners to request secrecy procedures, the date after which ballots may be distributed, the date and time by which any petition must be received by the Board requesting secrecy procedures and the address where any petition must be received. Notwithstanding the applicable provisions of paragraph (c) of this section, written ballots that are returned in secrecy envelopes may not be examined or counted before the deadline for returning ballots has passed.

(c) If approval of a proposed action would otherwise require a meeting at which a certain quorum must be present and at which a certain percentage of total votes cast is required to authorize the action, the proposal will be deemed to be approved when the date for return of ballots has passed, a quorum of Lot Owners has voted, and the required percentage of approving votes has been received. Otherwise, the proposal shall be deemed to be rejected. If approval of a proposed action otherwise would require a meeting at which a specified percentage of Lot Owners must authorize the action, the proposal shall be deemed to be approved when the percentage of total votes cast in favor of the proposal equals or exceeds such required percentage. The proposal shall be deemed to be rejected when the number of votes cast in opposition renders approval impossible or when both the date for return of ballots has passed and such required percentage has not been met. Except as otherwise provided in paragraph (b) of this section, votes may be counted from time to time before the final return date to determine whether the proposal has passed or failed by the votes already cast on the date they are entered.

(d) All solicitations for votes by written ballot shall state the number of responses needed to meet any applicable quorum requirement and the total percentage of votes needed for approval. All such solicitations for votes shall specify the period during which the Association will accept written ballots for counting, which period shall end on the earliest of (i) the date on which the Association has received a sufficient number of approving ballots to pass the proposal, (ii) the date on which the Association has received a sufficient number of disapproving ballots to render the proposal impossible of passage, or (iii) a date certain by which all ballots must be returned to be counted. A written ballot may not be revoked.

ARTICLE 4.

BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors of five (5) persons. All directors, other than interim directors appointed by Declarant, shall be Owners or co-Owners of Lots. For purposes of this section, the officers of
any corporate Owner, the members of any limited liability company and the partners of any partnership shall be considered co-Owners of any Lots owned by such corporation or partnership.

4.2 **Interim Directors.** Upon the recording of the Declaration, Declarant shall appoint an interim board of one (1) to three (3) directors, who shall serve until replaced by Declarant or until their successors have been replaced by the Owners as provided below.

4.3 **Transitional Advisory Committee.** Unless the Turnover Meeting has already been held, Declarant shall call a meeting of the Owners for the purpose of forming a Transitional Advisory Committee. The meeting shall be called within sixty (60) days after the date Declarant conveys fifty percent (50%) or more of the Lots then existing in The Greens At Springbrook to Owners other than a successor Declarant. The committee shall consist of two (2) or more Owners elected by the Owners other than Declarant and not more than one (1) representative of Declarant. The members shall serve until the Turnover Meeting. The Transitional Advisory Committee shall be advisory only, and its purpose shall be to enable ease of transition from administrative control of the Association by Declarant to control by the Owners. The committee shall have access to any information, documents and records that Declarant must turn over to the Owners at the time of the Turnover Meeting. If Declarant fails to call the meeting to elect a Transitional Advisory Committee within the time specified, the meeting may be called and notice given by any Owner. If the Owners fail to elect a Transitional Advisory Committee at the meeting called for such purpose, Declarant shall have no further obligation to form the committee.

4.4 **Election and Tenure of Office.**

(a) At the Turnover Meeting, the interim directors shall resign and the members shall elect five (5) directors, two (2) directors to serve for three (3) year and two (2) directors to serve for two (2) years and one (1) for a term of one (1) year. Thereafter, the successors to each director shall serve for three (3) years. The nominees’ terms shall be in order based on the number of votes received, with the largest number of votes serving the longest term. In the event of a tie, term selection shall be by random means. If a Director is unable to serve his full term, a successor Director shall be selected in accordance with Section 4.5 below.

(b) All directors shall hold office until their respective successors have been elected by the members. Election shall be by plurality.

4.5 **Vacancies.**

(a) A vacancy in the Board of Directors shall exist upon the death, resignation or removal of any director, or if the authorized number of directors is increased, or if the members fail at any annual or special meeting of members at which any director or directors are to be elected to elect the full authorized number of directors to be voted for at that meeting. Vacancies in interim directors shall be filled by Declarant.
(b) Vacancies in the Board of Directors, other than interim directors, may be filled by a majority of the remaining directors even though less than a quorum, or by a sole remaining director. Each director so elected shall hold office for the balance of the unexpired term and until his or her successor is elected.

4.6 **Removal of Directors.** All or any number of the directors, other than interim directors, may be removed, with or without cause, at any meeting of members at which a quorum is present, by a vote of a majority of the number of votes entitled to be cast at an election of directors. No removal of a director shall be effective unless the matter of removal was an item on the agenda and stated in the notice of the meeting as provided in these Bylaws.

4.7 **Powers.** The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law, or by the Declaration, or by these Bylaws may not be delegated to the Board of Directors by the Owners. The Board of Directors may delegate responsibilities to committees or a managing agent, but shall retain ultimate control and supervision. The powers and duties to be exercised by the Board of Directors shall include any provisions in the Declaration, the Oregon Planned Community Act, the Oregon Non-Profit Corporation Act, and the following:

(a) Carry out the program for maintenance, upkeep, repair and replacement of any property required to be maintained by the Association as described in the Declaration and these Bylaws.

(b) Determine the amounts required for operation, maintenance and other affairs of the Association, and the making of such expenditures.

(c) Prepare a budget for the Association, and assessment and collection of the Assessments.

(d) Employ and dismiss such personnel as may be necessary for such maintenance, upkeep and repair.

(e) Employ legal, accounting or other personnel for reasonable compensation to perform such services as may be required for the proper administration of the Association; provided, however, the Board may not incur or commit the Association to incur legal fees in excess of $5,000 for any specific litigation or claim matter unless the Owners have enacted a resolution authorizing the incurring of such fees by a vote of seventy-five percent (75%) of the voting rights present in person or by absentee ballot or proxy at a meeting at which a quorum is constituted. This limitation shall not be applicable to legal fees incurred in defending the Association or the Board of Directors from claims or litigation brought against them. The limitation set forth in this paragraph shall increase by $500 on each fifth anniversary of the recording of the Declaration. To the extent required by the Oregon Planned Community Act, the Board shall notify the Owners before instituting litigation or administrative proceedings. With regard to any pending litigation involving the Association, the Board shall periodically report to the Lot Owners as to the status (including settlement offers), progress, and method of funding
such litigation. Nothing in this paragraph shall be construed as requiring the Board to disclose any privileged communication between the Association and its counsel.

(f) Open bank accounts on behalf of the Association and designating the signatories required therefore.

(g) Prepare and file, or cause to be prepared and filed, any required income tax returns or forms for the Association.

(h) Purchase Lots at foreclosure or other judicial sales in the name of the Association or its designee.

(i) Sell, lease, mortgage, vote the votes appurtenant to (other than for the election of directors), or otherwise deal with Lots acquired by the Association or its designee.

(j) Obtain insurance or bonds pursuant to the provisions of these Bylaws and review such insurance coverage at least annually.

(k) Make additions and improvements to, or alterations of, the Common Areas, or modify, close, remove, eliminate or discontinue use of any common facility, including any improvement or landscaping, except that any such modification, closure, removal, elimination or discontinuance (other than on a temporary basis) of any swimming pool, spa or recreational or community building must be approved by a majority vote of the members at a meeting or by written ballot held or conducted in accordance with these Bylaws.

(l) From time to time adopt, modify, or revoke such rules and regulations governing the details for the operation of the Association, the conduct of persons and the operation and use of the Property as the Board of Directors may deem necessary or appropriate to ensure the peaceful and orderly use and enjoyment of the Property. Such action may be overruled or modified by vote of not less than seventy-five percent (75%) of the voting rights of each class of members present, in person or by proxy, at any meeting, the notice of which shall have stated that such modification or revocation of rules and regulations will be under consideration.

(m) Enforce by legal means the provisions of the Declaration, these Bylaws, Oregon statutes, and any rules and regulations adopted hereunder.

(n) In the name of the Association, maintain a current mailing address of the Association, file annual reports with the Oregon Secretary of State, and maintain and keep current the information required to enable the Association to comply with ORS 94.670(7).

(o) Enter into management agreements with professional management firms and delegate such business and record keeping functions as may be appropriate to said management firm.
4.8 Meetings.

(a) Meetings of the Board of Directors shall be held at such place as may be designated from time to time by the Board of Directors or other persons calling the meeting.

(b) Annual meetings of the Board of Directors shall be held within thirty (30) days following the adjournment of the annual meetings of the members.

(c) Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or by any two directors.

4.9 Open Meetings.

(a) All meetings of the Board of Directors shall be open to Owners except that, in the discretion of the Board, the following matters may be considered in executive session: (i) consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation, or criminal matters; (ii) personnel matters, including salary negotiations and employee discipline; (iii) negotiation of contracts with third parties; and (iv) collection of unpaid assessments. Except in the case of an emergency, the Board of Directors shall vote in an open meeting whether to meet in executive session. If the Board of Directors votes to meet in executive session, the presiding officer shall state the general nature of the action to be considered, as precisely as possible, when and under what circumstances the deliberations can be disclosed to Owners. The statement, motion or decision to meet in the executive session shall be included in the minutes of the meeting, and any contract or action considered in executive session shall not become effective unless the Board, following the executive session, reconvenes in open meeting and votes on the contract or action, which shall be reasonably identified in the open meeting and included in the minutes.

(b) Meetings of the Board of Directors may be conducted by telephonic communication or by other means of communication that allows all members of the Board participating to hear each other simultaneously or otherwise to be able to communicate during the meeting, except that if a majority of the Lots are principal residences of the occupants, then: (i) for other than emergency meetings, notice of each Board of Directors' meeting shall be posted at a place or places on the property at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform the Owners of such meeting; and (ii) only emergency meetings of the Board of Directors may be conducted by telephonic communication or such other means. The meeting and notice requirements of this Section may not be circumvented by chance or social meetings or by any other means.

4.10 Notice of Meetings.

(a) For other than emergency meetings, notice of Board of Directors meetings shall be posted at a place or places on the property at least three (3) days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform Lot Owners of such meetings. Notice to Directors shall be considered sufficient if actually received at the required time, or if mailed, e-mailed or faxed not less than three (3) days before the meeting.
Such notice shall be directed to the address shown on the Association’s records, or to the director’s actual address ascertained by the person giving the notice. Such notice need not be given for an adjourned meeting if such time and place is fixed at the meeting adjourned.

(b) Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when 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.

4.11 **Quorum and Vote.**

(a) A majority of the directors shall constitute a quorum for the transaction of business. A minority of the directors, in the absence of a quorum, may adjourn from time to time, but may not transact any business.

(b) The action of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors unless a greater number is required by law, the Declaration, the Articles of Incorporation or these Bylaws.

(c) A director must be present at a meeting of the Board of Directors to cast a vote. No proxy votes by directors for Board actions are permissible.

4.12 **Liability.** Neither a member of the Board of Directors nor an officer of the Association shall be liable to the Association, any Owner or any third party for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties so long as the individual acted in good faith, believed that the conduct was in the best interests of the Association, or at least was not opposed to its best interests, and in the case of criminal proceedings, had no reason to believe the conduct was unlawful. In the event any member of the Board of Directors or any officer of the Association is made a party to any proceeding because the individual is or was a director or officer of the Association, the Association shall defend such individual against such claims and indemnify such individual against liability and expenses incurred to the maximum extent permitted by law. The managing agent of the Association, and its officers and employees, shall not be liable to the Association, the Owners or any third party on account of any action or failure to act in the performance of its duties as managing agent, except for acts of gross negligence or intentional acts, and the Association shall indemnify the managing agent and its officers and employees from any such claims, other than for gross negligence or intentional misconduct.

4.13 **Compensation.** No director shall receive any compensation from the Association for acting as such.

4.14 **Committees.** The Board may from time to time establish committees of the Board pursuant to ORS 65.354, including an Architectural Review Committee. Such standing or temporary committees as may be necessary from time to time consisting of Owners and at least one member of the Board of Directors shall have such powers as the Board of Directors may designate. Such committees shall hold office at the pleasure of the Board.
4.15 **Enforcement Procedures.** The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Declaration, these Bylaws or the Rules and Regulations. To the extent specifically required by the Declaration, the Board of Directors shall comply with the following procedures prior to the imposition of sanctions:

(a) **Notice.** The Board of Directors or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator shall have fourteen (14) days to present a written request for a hearing before the Board of Directors or a covenants committee appointed by the Board of Directors, if any; and (iv) a statement that the proposed sanction may be imposed as contained in the notice unless a hearing is requested within fourteen (14) days of the notice.

(b) **Response.** The alleged violator shall respond to the notice of the alleged violation in writing within such fourteen (14) day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction. If the alleged violator cures the alleged violation and notifies the Board of Directors in writing within such fourteen (14) day period the Board of Directors may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions by any person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided, however, that the Board of Directors or covenants committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the fourteen (14) day period. Any response or request for a hearing shall be delivered to the Association’s manager, President or Secretary, or as otherwise specified in the notice of violation.

(c) **Proof of Notice.** Prior to the effectiveness of sanctions imposed pursuant to this section, proof of proper notice shall be placed in the minutes of the Board of Directors or covenants committee, as applicable. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

(d) **Hearing.** If a hearing is requested within the allotted fourteen (14) day period, the hearing shall be held before the Board of Directors or the covenants committee, as applicable. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing (i.e., the decision) and the sanction, if any, to be imposed.

(e) **Appeal.** Following a hearing before the covenants committee, if applicable, the violator shall have the right to appeal the decision to the Board of Directors. To exercise this right, the violator must deliver a written notice of appeal to the Association’s manager, President or Secretary within ten (10) days after the hearing date.

(f) **Enforcement Policies.** The Board of Directors, by resolution, may adopt additional policies and procedures governing enforcement of the Declaration, these Bylaws or the Rules and Regulations.

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ARTICLE 5.

OFFICERS

5.1 **Designation and Qualification.** The officers of the Association shall be the President, the Secretary, the Treasurer, and such Vice Presidents and subordinate officers as the Board of Directors shall from time to time appoint. Each officer shall be a member of the Board of Directors. Any two offices, except the offices of President and Secretary, may be held by the same person.

5.2 **Election and Vacancies.** The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board to serve for one (1) year and until their respective successors are elected. If any office shall become vacant by reason of death, resignation, removal, disqualification or any other cause, the Board of Directors shall elect a successor to fill the unexpired term at any meeting of the Board of Directors.

5.3 **Removal and Resignation.**

(a) Any officer may be removed upon the affirmative vote of a majority of the directors whenever, in their judgment, the best interests of the Association will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

(b) Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective, provided, however, that the Board of Directors may reject any postdated resignation by notice in writing to the resigning officer. The effectiveness of such resignation shall not prejudice the contract rights, if any, of the Association against the officer so resigning.

5.4 **President.** The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have powers of general supervision, direction and control of the business and affairs of the Association. He or she shall preside at all meetings of the members and of the Board of Directors. He or she shall be an ex officio member of all the standing committees, including the executive committee, if any, shall have the general powers and duties of management usually vested in the office of president of a nonprofit corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.5 **Vice Presidents.** The Vice Presidents, if any, shall perform such duties as the Board of Directors shall prescribe. In the absence or disability of the President, the President’s
duties and powers shall be performed and exercised by the Senior Vice President as designated by the Board of Directors.

5.6 Secretary.

(a) The Secretary shall keep or cause to be kept a book of minutes of all meetings of directors and members showing the time and place of the meeting, whether it was regular or special, and if special, how authorized, the notice given, the names of those present at directors’ meetings, the number of memberships present or represented at members’ meetings and the proceedings thereof.

(b) The Secretary shall give or cause to be given such notice of the meetings of the members and of the Board of Directors as is required by these Bylaws or by law. The Secretary shall keep the seal of the Association, if any, and affix it to all documents requiring a seal, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

(c) If there are no Vice Presidents, then in the absence or disability of the President, the President’s duties and powers shall be performed and exercised by the Secretary.

5.7 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements. The books of accounts shall at all reasonable times be open to inspection by any director. The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. The Treasurer shall disburse or cause to be disbursed the funds of the Association as may be ordered by the Board, shall render to the President and directors, whenever they request it, an account of all of the Treasurer’s transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

5.8 Compensation of Officers. No officer who is a member of the Board of Directors shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the members. The Board of Directors may fix any compensation to be paid to other officers.

ARTICLE 6.

ASSESSMENTS, RECORDS AND REPORTS

6.1 Assessments. As provided in the Declaration, the Association, through its Board of Directors, shall do the following:

(a) Assess and collect from every Owner Assessments in the manner described in the Declaration.
(b) Keep all funds received by the Association as Assessments, other than reserves described in the Declaration, in the Operations Fund and keep all reserves collected pursuant to the Declaration in the Reserve Fund and use such funds only for the purposes described in the Declaration.

(c) From time to time, and at least annually, prepare a budget for the Association, estimating the common expenses expected to be incurred with adequate allowance for reserves based upon the reserve study required by the Declaration, and determine whether the Annual Assessment should be increased or decreased. Within thirty (30) days after adopting a proposed annual budget, the Board of Directors shall provide a summary of the budget to all Owners. If the Board of Directors fails to adopt a budget, the last adopted annual budget shall continue in effect.

(d) Fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of any Assessment shall be sent to every Owner subject thereto and to any first mortgagee requesting such notice. The due dates shall be established by the Board of Directors, which may fix a regular flat Assessment payable on a monthly, quarterly, semiannual or annual basis. The Board of Directors shall cause to be prepared a roster of the Lots showing Assessments applicable to each Lot. The roster shall be kept in the Association office and shall be subject to inspection by any Owner or mortgagee during regular business hours. Within ten (10) business days after receiving a written request, and for a reasonable charge, the Association shall furnish to any Owner or mortgagee a recordable certificate setting forth the unpaid Assessments against such Owner’s Lot. Such certificate shall be binding upon the Association, the Board of Directors, and every Owner as to the amounts of unpaid Assessments.

(e) If Additional Properties are annexed to the Property, the Board of Directors shall assess any Lots included therein in accordance with the provisions of the Declaration.

(f) Enforce the Assessments in the manner provided in the Declaration.

(g) Keep records of the receipts and expenditures affecting the Operations Fund and Reserve Fund and make the same available for examination by members and their mortgagees at convenient hours, maintain an Assessment roll showing the amount of each Assessment against each Owner, the amounts paid upon the account and the balance due on the Assessments, give each member written notice of each Assessment at least 30 days before the time when such Assessments shall become due and payable; and for a reasonable charge, promptly provide any Owner or mortgagee who makes a request in writing with a written certificate of such Owner’s unpaid Assessments.

6.2 Records. The Association shall keep within the State of Oregon correct and complete financial records sufficiently detailed for proper accounting purposes, keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and retain all documents, information and records turned over to the
6.3 **Statement of Assessments Due.** The Association shall provide, within ten (10) business days after receipt of a written request from an Owner or mortgagee, a written statement that provides: (a) the amount of assessments due from the Owner and unpaid at the time the request was received, including regular and special assessments, fines and other charges, accrued interest, and late-payment charges; (b) the percentage rate at which interest accrues on assessments that are not paid when due; and (c) the percentage rate used to calculate the charges for late payment or the amount of a fixed-rate charge for late payment. The Association is not required to comply with this section if the Association has commenced litigation by filing a complaint against the Owner and the litigation is pending when the statement would otherwise be due.

6.4 **Inspection of Books and Records.** Except as otherwise provided in ORS 94.670(5), during normal business hours or under other reasonable circumstances, the Association shall make reasonably available for examination and, upon written request, available for duplication, by Owners, lenders, and holders of any mortgage of a Lot that make the request in good faith for a proper purpose, current copies of the Declaration, Articles, Bylaws, Rules and Regulations, amendments or supplements to such documents and the books, records, financial statements and current operating budget of the Association. The Association shall maintain a copy, suitable for purposes of duplication, of each of the following: (a) the Declaration, these Bylaws, the Rules and Regulations and any amendments or supplements to them, (b) the most recent financial statement of the Association, and (c) the current operating budget of the Association. The Association, within ten (10) business days after receipt of a written request by an Owner, shall furnish copies of such documents to the requesting Owner. Upon written request, the Association shall make such documents, information and records available to such persons for duplication during reasonable hours. The Board of Directors, by resolution, may adopt reasonable rules governing the frequency, time, location, notice and manner of examination and duplication of Association records and the imposition of a reasonable fee for furnishing copies of such documents, information or records. The fee may include reasonable personnel costs for furnishing the documents, information or records.

6.5 **Payment of Vouchers.** The Treasurer or managing agent shall pay all vouchers for all budgeted items and for any non-budgeted items, up to $1,000 signed by the President, managing agent, manager or other person authorized by the Board of Directors. Any voucher for non-budgeted items in excess of $1,000 shall require the authorization of the President or a resolution of the Board of Directors.

6.6 **Execution of Documents.** The Board of Directors may, except as otherwise provided in the Declaration, Articles of Incorporation, or these Bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement, to pledge its credit, or to render it liable for any purpose or for any amount.
6.7 **Reports and Audits.** An annual financial statement consisting of a balance sheet and an income and expense statement for the preceding year shall be rendered by the Board of Directors to all Owners, and to all mortgagees who have requested the same, within ninety (90) days after the end of each fiscal year. From time to time, the Board of Directors, at the expense of the Association, may obtain an audit of the books and records pertaining to the Association and furnish copies thereof to the members. At any time any Owner or holder of a mortgage may, at their own expense, cause an audit or inspection to be made of the books and records of the Association. Subject to ORS 94.670 (4) and its applications, if the Association has annual assessments exceeding $75,000, it shall cause the financial statement required herein to be reviewed within 180 days after the end of the fiscal year by an independent certified public accountant licensed by the State of Oregon.

**ARTICLE 7.**

**INSURANCE**

7.1 **Types of Insurance.** For the benefit of the Association and the Owners, the Board of Directors shall obtain and maintain at all times, and shall pay for out of the Operations Fund, the following insurance:

(a) **Property Damage Insurance.**

(i) The Association shall maintain a policy or policies of insurance covering loss or damage from fire, with standard extended coverage and "all risk" endorsements, and such other coverages as the Association may deem desirable.

(ii) The amount of the coverage shall be for not less than one hundred percent (100%) of the current replacement cost of the improvements on the Common Areas (exclusive of land, foundation, excavation and other items normally excluded from coverage), subject to a reasonable deductible.

(iii) The policy or policies shall include all fixtures and building service equipment to the extent that they are part of the Common Areas and all personal property and supplies belonging to the Association.

(b) **Liability Insurance.**
(i) The Association shall maintain comprehensive general liability insurance coverage insuring the Declarant, the Association, the Board of Directors, and the managing agent, against liability to the public or to Owners and their invitees or tenants, incident to the operation, maintenance, ownership or use of the Common Areas, including legal liability arising out of lawsuits related to employment contracts of the Association. There may be excluded from such policy or policies coverage of an Owner (other than as a member of the Association or Board of Directors) for liability arising out of acts or omissions of such Owner and liability incident to the ownership and/or use of the part of the Property as to which such Owner has the exclusive use or occupancy.

(ii) Limits of liability under such insurance shall not be less than One Million Dollars ($1,000,000) on a combined single-limit basis.

(iii) Such policy or policies shall be issued on a comprehensive liability basis and shall provide a cross-liability endorsement wherein the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

(c) **Workers’ Compensation Insurance.** The Association shall maintain workers’ compensation insurance to the extent necessary to comply with any applicable laws.

(d) **Fidelity Insurance.**

(i) The Board of Directors may cause the Association to maintain blanket fidelity insurance for all officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of, or administered by, the Association. In the event that the Association has retained a management agent, the Board of Directors may require such agent to maintain fidelity bonds for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. The cost of such insurance, if any, shall be borne by the Association.

(ii) The total amount of fidelity insurance coverage required shall be based upon the best business judgment of the Board of Directors.

(iii) Such fidelity insurance shall name the Association as obligee and shall contain waivers by the insurance issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of “employees” or similar terms or expressions. The insurance shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days’ prior written notice to the Association.

7.2 **Insurance by Lot Owners.** Each Owner shall be responsible for obtaining, at his or her own expense, homeowner’s insurance covering the improvements on the Owner’s Lot and liability resulting from use or ownership of the Lot, unless the Association agrees otherwise.
The insurance coverage maintained by the Association shall not be brought into contribution with the insurance obtained under this section by the Owners.

7.3 **Planned Community Act Requirements.** The insurance maintained by the Association shall comply with the requirements of the Oregon Planned Community Act, ORS 94.550 to 94.780.

**ARTICLE 8.**

**GENERAL PROVISIONS**

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

8.2 **Notice.** All notices to the Association or to the Board of Directors shall be sent care of the managing agent or, if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. All notices to members shall be sent to the member’s Home or to such other address as may have been designated by the member from time to time in writing to the Board of Directors.

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

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

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

**ARTICLE 9.**

**AMENDMENTS TO BYLAWS**

9.1 **How Proposed.** Amendments to these Bylaws shall be proposed by either a majority of the Board of Directors or by members holding at least thirty percent (30%) of the voting rights entitled to be cast for such amendment. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon or be attached to any request for consent to the amendment.
9.2 Adoption.

(a) A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members and may be approved by the membership at a meeting called for such purpose, by a ballot meeting pursuant to Section 3.13, or by written consent of the members. Members not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution must be approved by members holding a majority (at least 50%) of the voting rights, together with the written consent of the Class B member, if any. Amendment or repeal of any provision of these Bylaws that is also contained in the Declaration must be approved by the same voting requirement for amendment of such provision of the Declaration.

(b) Notwithstanding the provisions of the preceding paragraph, until the Turnover Meeting has occurred, Declarant shall have the right to amend these Bylaws in order to comply with the requirements of the Federal Housing Administration, the United States Department of Veterans Affairs, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon that insures, guarantees or provides financing for a planned community or lots in a planned community. After the Turnover Meeting, any such amendment shall require the approval of a majority of the voting rights of the Association, voting in person, by proxy, or by ballot, at a meeting or ballot meeting of the Association at which a quorum is represented.

9.3 Relationship to Declaration. If a provision required to be in the declaration under ORS 94.580 is included in these bylaws, the voting requirements for amending the declaration shall also govern the amendment of the provision in the bylaws.

9.4 Execution and Recording. An amendment shall not be effective until certified by the President and Secretary of the Association as being adopted in accordance with these Bylaws and ORS 94.625, acknowledged and recorded in the Deed Records of Clackamas County, Oregon.

By: ____________________________
    Its: President

By: ____________________________
    Its: Secretary

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STATE OF OREGON  
County of Multnomah 

The foregoing instrument was acknowledged before me this __th day of 
February, 2005, by Mike Loomis, President for The Greens at Springbrook 
Homeowners Association and he acknowledged to me that he executed the same freely 
and voluntarily.

[Signature]
Notary Public for Oregon
My commission expires: 10/30/08

OFFICIAL SEAL
DEBBIE A RHODES
NOTARY PUBLIC-OREGON
COMMISSION NO. 395937
MY COMMISSION EXPIRES OCT 28, 2008

STATE OF OREGON  
County of Multnomah 

The foregoing instrument was acknowledged before me this __th day of 
February, 2005, by Jeanene Pehlke, Secretary for The Greens at Springbrook 
Homeowners Association and she acknowledged to me that she executed the same freely 
and voluntarily.

[Signature]
Notary Public for Oregon
My commission expires: 10/30/08

2/4/24