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Chris Martin - Alex Larson - Ashley Lacer - Shannon Forrest

541.660.5111

Team@MOPG.com



Mapping

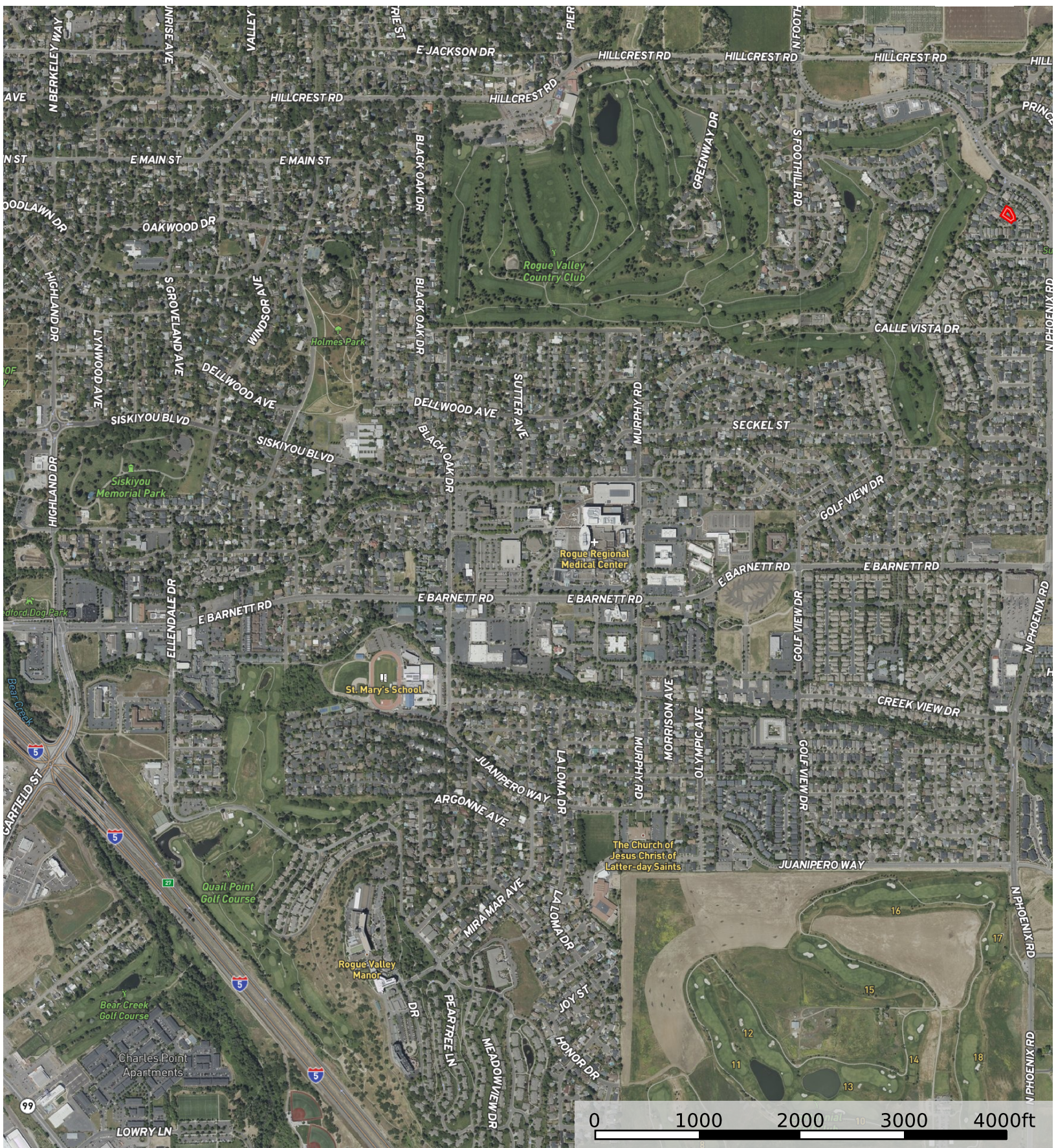
440 Scottsdale Circle
Oregon, AC +/-



 Boundary


440 Scottsdale Circle

Oregon, AC +/-



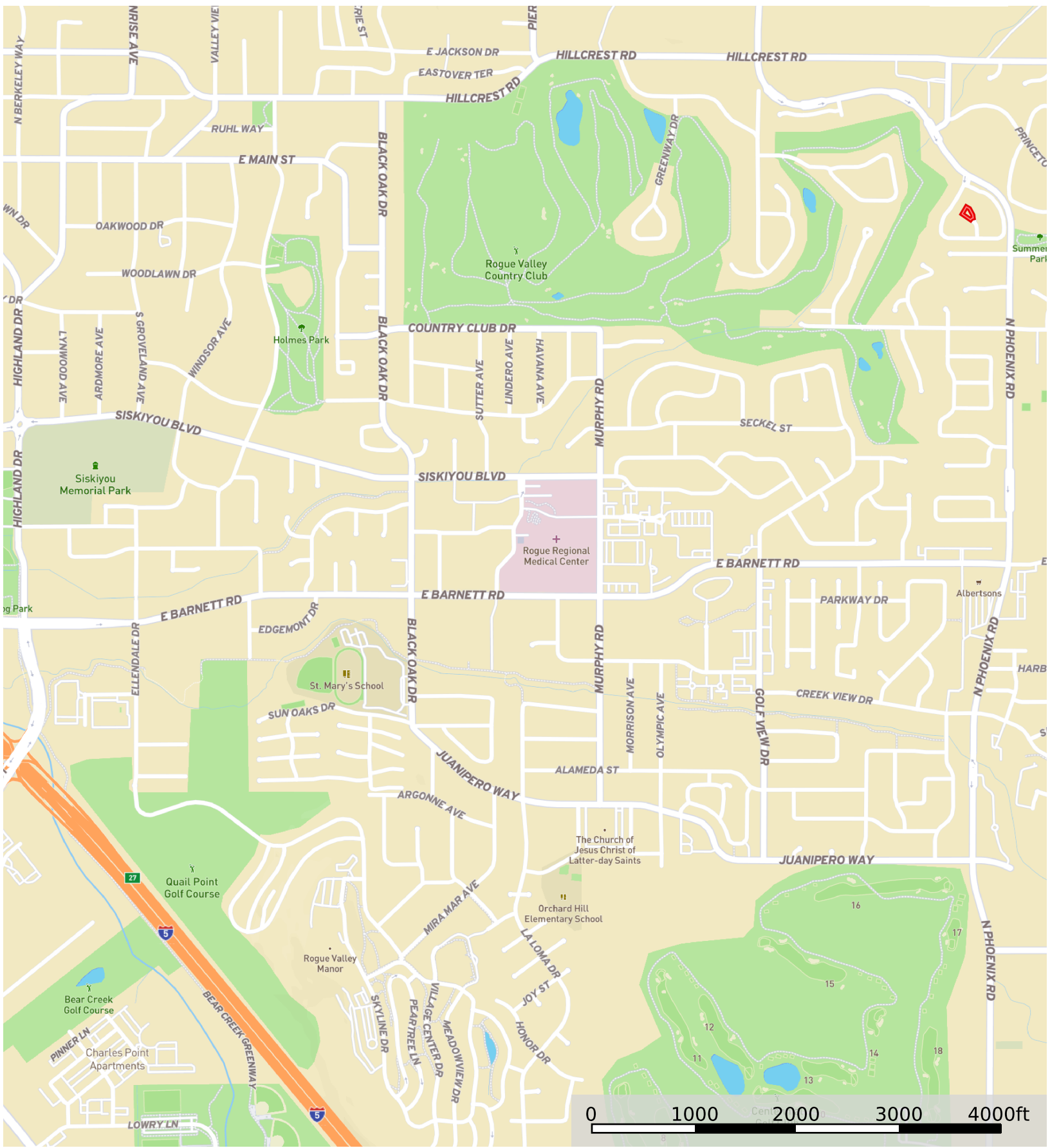
 Boundary



 Boundary

440 Scottsdale Circle

Oregon, AC +/-



 Boundary

Floor Plan

(Coming Soon)

Tax Records & Title Report



FIRST AMERICAN TITLE

Property Research Report

SUBJECT PROPERTY

440 Scottsdale Cir

Parcel #: 10816966

Map & Taxlot #: 371W27BC00237

County: Jackson

OWNER

Harry and David

DATE PREPARED

03/11/2026

PREPARED BY

lrking@firstam.com



First American Title

Customer Service Department

541.776.4555

cservice@firstam.com

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First American Title™

Jackson County Property Profile Information

Parcel #: 10816966

Tax Acct#: 371W27BC00237

Owner: **Harry and David**

CoOwner:

Site: **440 Scottsdale Cir**

Medford OR 97504 - 9291

Mail: PO Box 712

Medford OR 97501 - 0712

Land Use: 101 Residential - Improved (typical of class)

Std Land Use: 1001 - Single Family Residential

Legal:

Twn/Rng/Sec: 37S / 01W / 27 / NW

ASSESSMENT & TAX INFORMATION

Market Total: **\$486,940.00**

Market Land: **\$153,000.00**

Market Impr: **\$333,940.00**

Assessment Year: **2025**

Assessed Total: **\$312,780.00**

Exemption:

2024 Taxes: **\$4,536.06**

Levy Code: 4901

Levy Rate: 0.0148

SALE & LOAN INFORMATION

Sale Date: 12/01/2007

Sale Amount:

Document #: 68391

Deed Type: LET

Loan Amount:

Lender:

Loan Type:

Interest Type:

Title Co:

PROPERTY CHARACTERISTICS

Year Built: 1997

Bedrooms: 3

Bathrooms: 2

Total SF: 1,590 SqFt

Basement SF:

Lot Size: 0.17 Acres (7,405 SqFt)

Garage SF: 484 SqFt

Heat Source:

Fireplace:

Lot:

Block:

Plat/Subdiv: Country Club Vlge Estates S Vlge Pcd

Zoning: Medford-SFR-6

School Dist: 549 Medford

Primary School: Hoover Elementary School

Middle School: Hedrick Middle School

High School: South Medford High School

Census: 2003 - 000603

Watershed: Bear Creek

Recreation:

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

IMPROVEMENT: 32470

PARCEL ID: 10816966

Improvement Use: 151

Improvement Desc: RESIDENCE One
story

Year Built: 1997

% Complete:

Condition:

Eff Year Built: 1997

Total SqFt: 1,590

Bedrooms: 3

Roof Type:

Finished SqFt: 1,590

Bathrooms:

Roof Mat:

Unfinished SqFt:

Garage SqFt:

1st Floor SqFt: 1,590

Basement Fin SqFt:

Carport SqFt:

2nd Floor SqFt:

Basement Unfin SqFt:

Patio:

3rd Floor SqFt:

Attic Fin SqFt:

Fireplace:

4th Floor SqFt:

Attic Unfin SqFt:

Heat Type:

STATEMENT OF TAX ACCOUNT
JACKSON COUNTY TAX COLLECTOR
JACKSON COUNTY COURTHOUSE
MEDFORD, OR 97501
(541) 774-6541

11-Mar-2026

HARRY AND DAVID
 BEAR CREEK OPERATIONS, INC LORIN PARSONS
 PO BOX 712
 MEDFORD OR 97501-0712

Tax Account #	10816966	Lender Name	
Account Status	A	Loan Number	
Roll Type	Real	Property ID	4901
Situs Address	440 SCOTTSDALE CIR MEDFORD OR 97504	Interest To	Mar 11, 2026

Tax Summary

Tax Year	Tax Type	Total Due	Current Due	Interest Due	Discount Available	Original Due	Due Date
2025	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,633.26	Nov 15, 2025
2024	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,536.06	Nov 15, 2024
2023	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,397.10	Nov 15, 2023
2022	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,289.96	Nov 15, 2022
2021	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,179.12	Nov 15, 2021
2020	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$4,090.76	Nov 15, 2020
2019	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,994.20	Nov 15, 2019
2018	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,891.73	Nov 15, 2018
2017	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,821.47	Nov 15, 2017
2016	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,846.63	Nov 15, 2016
2015	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,697.40	Nov 15, 2015
2014	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,632.20	Nov 15, 2014
2013	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,442.10	Nov 15, 2013
2012	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,301.69	Nov 15, 2012
2011	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,438.19	Nov 15, 2011
2010	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,370.31	Nov 15, 2010
2009	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,280.51	Nov 15, 2009
2008	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,198.98	Nov 15, 2008
2007	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$3,078.99	Nov 15, 2007
2006	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,751.68	Nov 15, 2006
2005	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,659.30	Nov 15, 2005
2004	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,603.83	Nov 15, 2004
2003	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,542.40	Nov 15, 2003
2002	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,474.18	Nov 15, 2002
2001	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,410.15	Nov 15, 2001
2000	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,330.00	Nov 15, 2000
1999	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,217.79	Nov 15, 1999
1998	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,150.88	Nov 15, 1998
1997	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$2,738.89	Dec 15, 1997
1996	ADVALOREM	\$0.00	\$0.00	\$0.00	\$0.00	\$831.35	Nov 15, 1996
Total		\$0.00	\$0.00	\$0.00	\$0.00		

97-03737

WARRANTY DEED

3
AFTER RECORDING RETURN TO:
A
Am#Title 721775-8
CC Vlg Est Serv 10-10-20
(41)

F. SCOTT GOINGS and HALLIE GOINGS,
Grantor(s) hereby grant, bargain, sell and convey to:
BEAR CREEK CORPORATION, an Oregon Corporation,
Grantee(s) and grantee's heirs, successors and assigns the following described
real property, free of encumbrances except as specifically set forth herein in
the County of JACKSON and State of Oregon, to wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

SUBJECT TO: all those items of record and those apparent upon the land, if
any, as of the date of this deed and those shown below, if any:

SEE ATTACHED EXHIBIT "A" FOR ADDITIONAL EXCEPTIONS


and the grantor will warrant and forever defend the said premises and every
part and parcel thereof against the lawful claims and demands of all persons
whomsoever, except those claiming under the above described encumbrances.

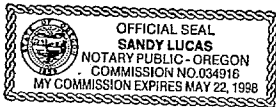
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT
IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR
ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY
SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY
APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST
PRACTICES AS DEFINED IN ORS 30.930.

The true and actual consideration for this conveyance is \$ 164,450.00.

Until a change is requested, all tax statements shall be sent to Grantee at the
following address: P.O. BOX 299, MEDFORD, OR 97501

Dated this 29th day of January, 1997


F. SCOTT GOINGS

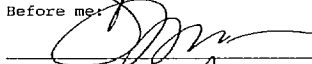



HALLIE GOINGS

STATE OF Oregon ss. January 29 19 97
COUNTY OF Jackson

Personally appeared the above named F. SCOTT GOINGS AND HALLIE GOINGS

and acknowledged the foregoing instrument to be their voluntary act.

Before me: 

Notary Public for Oregon

My commission expires _____

(seal)

ESCROW NO. AP721775SL

Return to:
BEAR CREEK CORPORATION
P.O. BOX 299
MEDFORD, OR 97501

97-03737

LEGAL DESCRIPTION
EXHIBIT "A"

Lot 41 COUNTRY CLUB ESTATES SOUTH VILLAGE, a Planned Unit Community Development in the City of Medford, Jackson County, Oregon, according to the plat thereof, now of record, together with a non-exclusive right and easement of enjoyment in the Common Areas as set forth in the Restated Declaration of Covenants, Conditions, Restrictions and Easements for Country Club Village Estates South Village recorded September 5, 1996 as No. 96-29767 of the Official Records of Jackson County.

SUBJECT TO a easement for landscape installation and maintenance for the benefit of the Country Club Village Estates South Village Homeowners Association common area adjacent to the above described property and described as follows:

Beginning at the most Northerly corner for Lot 41 in Country Club Village Estates South Village, a Planned Unit Community Development in the City of Medford, Jackson County, Oregon, according to the Official Plat thereof now of record; thence S30°26'28"W, along the Northwesterly boundary of said lot, 10.00 feet; thence S59°33'32", 51.00 feet, more or less, to a point on the Northeasterly line of said lot; thence N28°00'37"W, 20.00 feet more or less to a 5/8" x 24" iron pin; thence N59°33'32"W, 35.00 feet to the point of beginning.

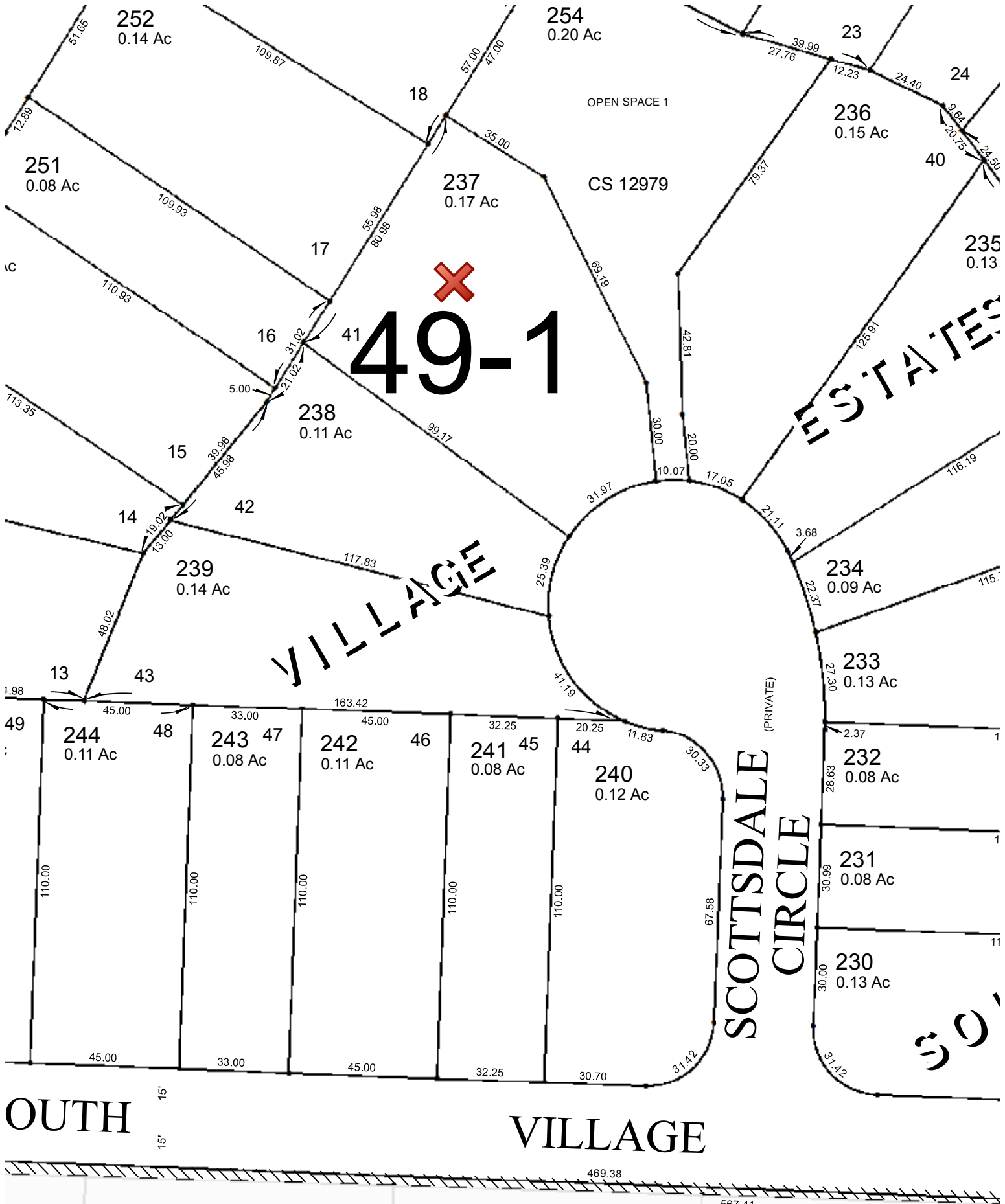
Jackson County, Oregon
Recorded
OFFICIAL RECORDS

FEB 04 1997

9:00 AM
[Signature]
County Clerk

2-

RECORDED



49-1

VILLAGE

ESTATES

**SCOTTSDALE
CIRCLE**
(PRIVATE)

SOUTH

VILLAGE

30'

469.38

567.41

252
0.14 Ac

254
0.20 Ac

251
0.08 Ac

237
0.17 Ac

236
0.15 Ac

235
0.13

238
0.11 Ac

239
0.14 Ac

234
0.09 Ac

233
0.13 Ac

244
0.11 Ac

243
0.08 Ac

242
0.11 Ac

241
0.08 Ac

240
0.12 Ac

232
0.08 Ac

231
0.08 Ac

230
0.13 Ac



First American Title™

First American Title Insurance Company

1225 Crater Lake Avenue, Suite 101
Medford, OR 97504
Phn - (541)779-7250
Fax - (866)400-2250

Order No.: 7161-4379152
May 08, 2026

FOR QUESTIONS REGARDING YOUR CLOSING, PLEASE CONTACT:

LISA TATE, Escrow Officer/Closer
Phone: (541)779-7250x5435 - Fax: (866)839-7125- Email:LTate@firstam.com
First American Title Insurance Company
1225 Crater Lake Avenue, Suite 101, Medford, OR 97504

FOR ALL QUESTIONS REGARDING THIS PRELIMINARY REPORT, PLEASE CONTACT:

Gary Laney, Title Officer
Phone: (541)779-7250 - Email: glaney@firstam.com

Preliminary Title Report

This report is for the exclusive use of the parties herein shown and is preliminary to the issuance of a title insurance policy and shall become void unless a policy is issued, and the full premium paid.

Please be advised that any provision contained in this document, or in a document that is attached, linked or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable by law.

Situs Address as disclosed on Jackson County Tax Roll:

440 Scottsdale Cir, Medford, OR 97504

2021 ALTA Owners Standard Coverage	Liability \$	TBD	Premium \$	TBD
2021 ALTA Owners Extended Coverage	Liability \$		Premium \$	
2021 ALTA Lenders Standard Coverage	Liability \$		Premium \$	
2021 ALTA Lenders Extended Coverage	Liability \$	TBD	Premium \$	TBD
Endorsement 9.10, 22 & 8.1			Premium \$	100.00
Govt Service Charge			Cost \$	30.00
Other			Cost \$	

Proposed Insured Lender: Lender To Be Determined

Proposed Borrower: TBD

We are prepared to issue Title Insurance Policy or Policies of First American Title Insurance Company, a Nebraska Corporation in the form and amount shown above, insuring title to the following described land:

The land referred to in this report is described in Exhibit A attached hereto.

and as of April 28, 2026 at 8:00 a.m., [title to the fee simple estate is vested in:](#)

Harry and David Operations Corporation who acquired title as Bear Creek Corporation, an Oregon Corporation

Subject to the exceptions, exclusions, and stipulations which are ordinarily part of such Policy form and the following:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien, or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

The exceptions to coverage 1-5 inclusive as set forth above will remain on any subsequently issued Standard Coverage Title Insurance Policy.

In order to remove these exceptions to coverage in the issuance of an Extended Coverage Policy the following items are required to be furnished to the Company; additional exceptions to coverage may be added upon review of such information:

- A. Survey or alternative acceptable to the company
- B. Affidavit regarding possession
- C. Proof that there is no new construction or remodeling of any improvement located on the premises. In the event of new construction or remodeling the following is required:
 - i. Satisfactory evidence that no construction liens will be filed; or
 - ii. Adequate security to protect against actual or potential construction liens;
 - iii. Payment of additional premiums as required by the Industry Rate Filing approved by the Insurance Division of the State of Oregon
6. Water rights, claims or title to water, whether or not shown by the public record.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records.
8. City liens, if any, of the City of Medford.

9. Easement, including terms and provisions contained therein:
Recording Information: December 30, 1991 as Document No. [91-32029](#)
In Favor of: City of Medford, by and through its Board of Water Commissioners
For: Exclusive perpetual easement for the installation and maintenance of water mains
10. Easement, including terms and provisions contained therein:
Recording Information: December 30, 1991 as Document No. [91-32029](#)
In Favor of: None shown
For: public utilities, storm drainage, sanitary sewer construction maintenance and installation and maintenance of watermains
11. "This planned community is located within 300 feet of designated agricultural land. Nearby residences may be subjected to noise, dust, odor, spray, residue and other types of pollution incident to customary and accepted farm practices," as set forth on the recorded Plat and Declaration of Country Club Village Estates South Village.
12. Provision that "if the private streets within this subdivision are ever dedicated to public use, additional right-of-way must be dedicated to include existing street improvements", as set forth on the recorded Plat and Dedication of Country Club Village Estates South Village.
13. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
Recording Information: September 05, 1996 as Document No. [96-29767](#)
- Modification and/or amendment by instrument:
Recording Information: May 22, 1998 as Document No. [98-23223](#)
14. Regulations and Assessments of Country Club Village Estates South Village Homeowner's Association, as set forth in Declaration recorded September 05, 1996 as Document No. [96-29767](#).
15. Easement as shown on the recorded plat/partition
For: public utility
Affects: see plat for exact location
16. The By-Laws, including the terms and provisions thereof of Country Club Estates South Village.
Recorded: September 05, 1996 as Document No. [96-29767](#)
- Modification and/or amendment by instrument:
Recording Information: May 22, 1998 as Document No. [98-23224](#)
17. An easement for landscape installation and maintenance for the benefit of the Country Club Village Estates South Village Homeowners Association common area, recorded February 04, 1997 as Document No. [97-03737](#)
18. With respect to Harry and David Operations Corporation:
a. Evidence that the corporation is properly formed and in good standing in the state of its domicile.
b. An official copy of the bylaws for the corporation.

- c. A copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
 - d. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.
19. A review of appropriate business entity documentation to confirm the current name for Bear Creek Corporation, an Oregon Corporation. Upon review of the evidence, a deed or other instrument acceptable to company may also be required to update the vesting.
20. **This transaction may be subject to the FinCEN Residential Real Estate Reporting Rule ("RRE Rule") issued pursuant to the Bank Secrecy Act, effective March 1, 2026. Information necessary to comply with the RRE Rule must be obtained and provided to the Reporting Person, as defined in the RRE Rule, prior to closing.**

- END OF EXCEPTIONS -

NOTE: We find no matters of public record against TBD that will take priority over any trust deed, mortgage or other security instrument given to purchase the subject real property as established by ORS 18.165.

NOTE: We find no judgments or United States Internal Revenue liens against Bear Creek Orchards Inc

NOTE: Taxes for the year 2025-2026 PAID IN FULL

Tax Amount:	\$4,633.26
Map No.:	371W27BC 237
Property ID:	1-081696-6
Tax Code No.:	49-01

NOTE: According to the public records, there has been no conveyance of the land within a period of 24 months prior to the date of this report, except as follows:

None

NOTE: We find no outstanding voluntary liens of record affecting subject property. An inquiry should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any security interest in the subject property.

**THANK YOU FOR CHOOSING FIRST AMERICAN TITLE!
WE KNOW YOU HAVE A CHOICE!**

GARY LANEY
TITLE OFFICER
glaney@firstam.com

Recording Information

For county recording requirements and fees visit
<https://jacksoncountyor.gov/departments/clerk/recording/index.php>

NOTE: Non-standard Document Fee of \$20.00, if applicable, will be imposed by the county clerk for documents presented for recording that fail to meet the requirements established by ORS 205.27

You can also calculate fees by using our Title Fee Calculator at
<https://facc.firstam.com/>.

cc: Lender To Be Determined

cc: Chris Martin, John L. Scott Real Estate
871 Medford Center, Medford, OR 97504

Exhibit "A"

Real property in the County of Jackson, State of Oregon, described as follows:

Lot 41 COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE, a planned unit community development in the City of Medford, Jackson County, Oregon, according to the plat thereof, recorded in [Volume 17, Page 10](#) of plat records.



First American Title Insurance Company

SCHEDULE OF EXCLUSIONS FROM COVERAGE

ALTA LOAN POLICY (07/01/21)

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement erected on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser or encumbrancer had been given for the Insured Mortgage at the Date of Policy.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business law.
5. Invalidity or unenforceability of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury law or Consumer Protection Law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction creating the lien of the Insured Mortgage is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the Insured Mortgage is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 13.b.
7. Any claim of a PACA-PSA Trust. Exclusion 7 does not modify or limit the coverage provided under Covered Risk 8.
8. Any lien on the Title for real estate taxes or assessments imposed by a governmental authority and created or attaching between the Date of Policy and the date of recording of the Insured Mortgage in the Public Records. Exclusion 8 does not modify or limit the coverage provided under Covered Risk 2.b. or 11.b.
9. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

ALTA OWNER'S POLICY (07/01/21)

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

SCHEDULE OF STANDARD EXCEPTIONS

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien" or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

NOTE: A SPECIMEN COPY OF THE POLICY FORM (OR FORMS) WILL BE FURNISHED UPON REQUEST

Rev. 07-01-21



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Last Updated and Effective Date: December 1, 2025

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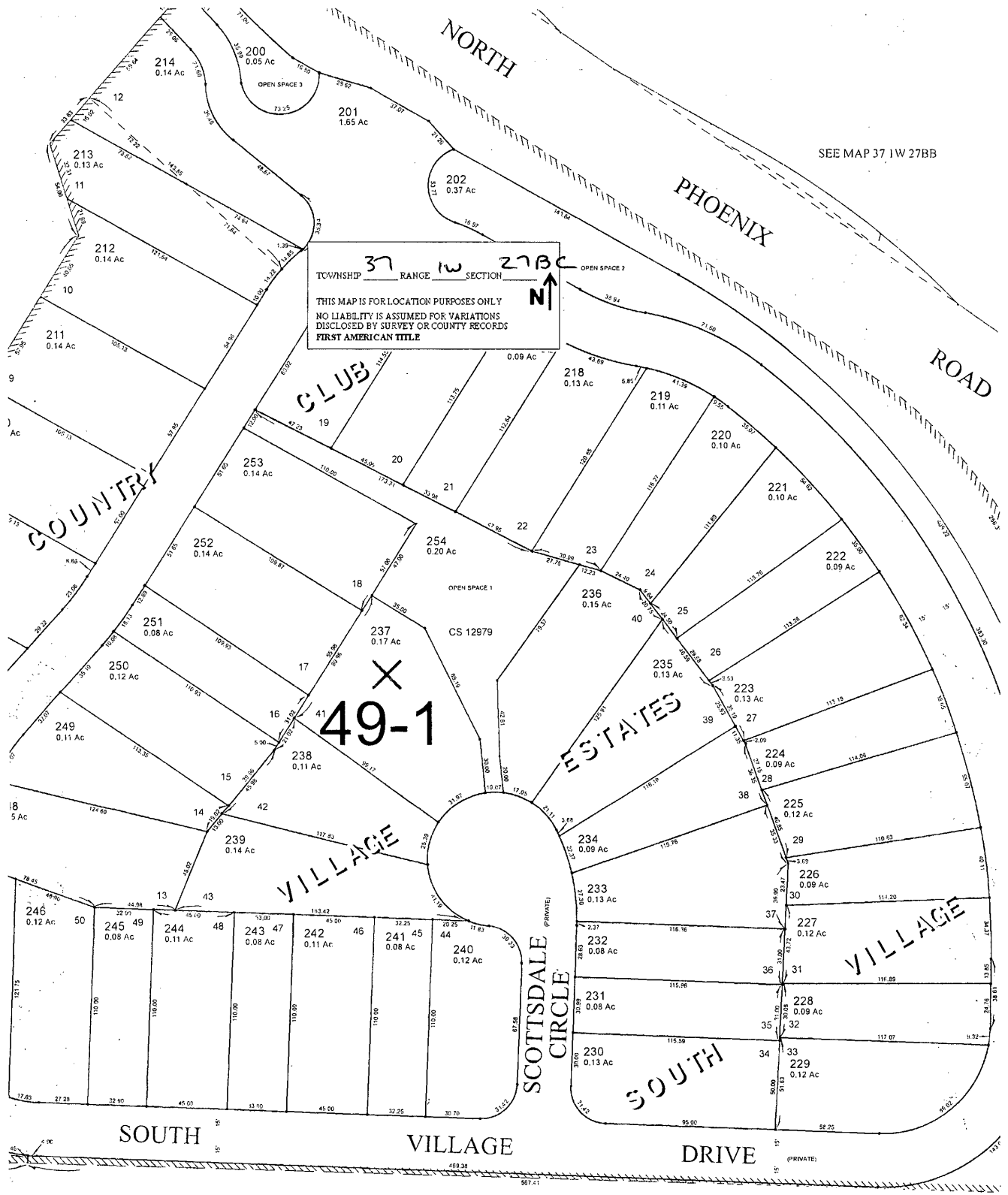
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SEE MAP 37 1W 27BB

TOWNSHIP 37 RANGE 1W SECTION 27BC
 THIS MAP IS FOR LOCATION PURPOSES ONLY
 NO LIABILITY IS ASSUMED FOR VARIATIONS
 DISCLOSED BY SURVEY OR COUNTY RECORDS
 FIRST AMERICAN TITLE

49-1

SEE MAP 37 1W 27BC

CC&Rs & HOA Information

96-29767

**RESTATED AND AMENDED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
EASEMENTS**

FOR

COUNTRY CLUB VILLAGE ESTATES

**SOUTH VILLAGE
A Planned Unit Development
in the City of Medford
Jackson County, Oregon**

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**RESTATED AND AMENDED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS**

**FOR
COUNTRY CLUB VILLAGE ESTATES**

SOUTH VILLAGE

A Planned Unit Development in the City of Medford, Jackson County, Oregon

THIS RESTATED AND AMENDED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS ("Declaration"), is made and executed on August __, 1996, by HAMMOND'S INVESTMENT SERVICES, LLC, an Oregon limited liability company, and F. SCOTT GOINGS and HALLIE GOINGS (collectively "Declarant").

RECITALS

A. Declarant is an owner of certain real property located in the City of Medford, County of Jackson, State of Oregon, containing 9.0 acres, more particularly described on Exhibit "1" and Article II of this Declaration (the "Property"), which Property has been subdivided into residential lots and common areas. The plat of the subdivision is attached as Exhibit "2."

B. The Plat of Country Club Village Estates South Village was duly recorded in the Plat Records of Jackson County, Oregon on MAY 8, 1992, in Plat Book 177, Page 10 ("Exhibit 2") (the "Plat of the Property"), and Declarant intends this Declaration shall only affect those Lots and Common Areas (defined below) as depicted on the Plat of the Property.

C. Declarant's predecessor in interest recorded the Declaration of Covenants, Conditions, Restrictions, and Easements, dated February 11, 1992, recorded May 14, 1992, as Recorder's Fee No. 92-13932, Official Records, Jackson County, Oregon (the "Original Declaration"). Declarant, along with other parties, who are consenting to this Amended and Restated Declaration ("Consenting Parties"), own the Property, which is subject to the Original Declaration. Declarant and the Consenting Parties desire to terminate the Original Declaration by this Declaration.

D. Declarant and the Consenting Parties wish to convey the Property subject to certain protective covenants, conditions, restrictions, reservations, liens, easements, and charges as stated in this Declaration.

E. Declarant desires to create on the Property a residential community with permanent open spaces, private streets and other common facilities for the benefit of the community, and to

be provide for the maintenance of the common areas and facilities, and the Consenting Parties wish to confirm such intent and bind their respective Lots. Declarant wishes to subject the Property to the covenants, restrictions, easements, conditions, charges, and liens hereinafter set forth. Declarant intends (and Consenting Parties agree) that the easements, covenants, restrictions, conditions, easements and liens set forth in this Declaration shall run with the Property and shall be binding on all persons and entities having or acquiring any right, title, or interest in the Property or any part thereof, and shall inure to the benefit of each of them.

F. Declarant has deemed it desirable for the efficient preservation of the values and amenities in the Property, to create an independent nonprofit corporation which shall delegate and assign the powers of maintaining and administering the common areas and facilities, performing maintenance on the exterior of the Units when necessary and surrounding landscape, sprinkler systems, and lighting systems, and administering and enforcing this Declaration and collecting and disbursing the assessments and charges hereinafter created. The non-profit corporation shall be known as COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE HOMEOWNERS ASSOCIATION, INC. (the "Association").

G. To the best of Declarant's knowledge, Declarant states that no assessments were made against the Lots which are part of the Property under and pursuant to the Original Declaration.

NOW, THEREFORE, Declarant hereby declares (and Consenting Parties agree) that all of the Property is and shall be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions and liens and which matters shall run with the Property and be binding on all parties having any right, title, or interest in the Property, or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

Upon recordation of this Declaration, the Original Declaration is hereby terminated and superseded and replaced by this Declaration.

ARTICLE I DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" mean and refer to the Country Club Village Estates South Village Homeowners Association Inc., a non-profit corporation organized under the laws of the state of Oregon, its successors and assigns.

(b) "Property." shall mean and refer to all the real property herein described and all such additions thereto which are made pursuant to this Declaration or any Supplemental

Declaration hereto.

(c) "Common Area" shall mean all property (including the improvements thereto) owned by the Association for the common use and enjoyment of the members of the Association, and which has been conveyed to the Association by the Declarant.

(d) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

(e) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area and areas dedicated as private streets.

(f) "Private Streets" shall mean all of the internal streets including cul-de-sacs located in Country Club Village Estates South Village, which streets will be owned by the Association which is also responsible for the care and maintenance of such streets.

(g) "Living Unit or Unit" shall mean and refer to the structure or improvement on each Lot situated within the Property designed for residential purposes and intended for use and occupancy as a residence by a single family.

(h) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof.

(i) "Common Expenses" means all of the expenses of the Association including administration, maintenance, repair or replacement of the Common Areas and surrounding landscape including the sprinkler systems and lighting systems, together with such expenses agreed upon as common by the Association in the manner provided in the Bylaws.

(j) "Manager" means the person or firm hired by the Board of the Association to be in charge of the administration of and to manage the Property.

(k) "Garage" shall mean a structure intended to be utilized by an Owner as an enclosure for two or more automobiles and storage of items of personal property belonging to an Owner and which is attached to a Living Unit on a Lot.

(l) "Exhibits". The attachments to the Declaration which are incorporated into and made a part of this Declaration.

**ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION**

Section 1. The real property subject to this Declaration is described on the attached Exhibit "1" (the "Property"). The Plat of the Property is attached hereto as Exhibit "2." Each Owner of a Lot shall have a deeded fee simple interest in or a contract vendee's interest in such Lot, together with membership in the Association. The Association shall own a fee simple interest in all Common Areas.

(a) The name of the planned community is Country Club Village Estates South Village ("Country Club Village Estates", the "Project" or the "Property").

(b) Country Club Village Estates is located within the City of Medford, Jackson County, Oregon.

(c) The number of lots and units in the planned community is 51. The description of the Common Area is depicted on the Plat of the Property.

(d) Declarant's special rights and duties are stated in Article IX, Section 3.

(e) The provisions for allocating one membership vote to each Lot are set forth in Article III.

(f) The method of determining liability for each Lot for common expenses and the rights to common profits is set forth in Article V.

(g) The use of all Lots shall be single family residential, personal or rental.

(h) The Association may sell or convey or subject to a security interest any portion of the Common Area.

(i) Restrictions on use, maintenance and occupancy are set forth in Article VII.

(j) Amendments to these Articles require an affirmative vote of not less than 75% of the total votes of all members subject to special Declarant rights as provided in Article XVI, Section 4, except as otherwise provided hereinafter.

(k) Turnover provisions and the delivery of the Common Area to the Association are set forth in Article IX.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

Section 1. Membership. The members are:

Proprietary Members. Each Owner of a Unit in County Club Village Estates shall automatically be a Proprietary Member, subject to the Bylaws; provided that the purchaser(s) of a Unit under a duly recorded contract for the purchase of a Unit shall be deemed the "Owner" of such Unit for these purposes. Each Proprietary Member shall be entitled to one vote per Unit owned by such member; provided if there is more than one Proprietary Member or an entity such members and entity shall nevertheless have one vote and shall designate in writing a natural person who shall exercise the voting right for such Unit.

The rights and privileges of a Proprietary Membership shall terminate when the holder of any such Proprietary Membership shall cease to qualify as an Owner.

Associate Members. Each lessee, renter or other occupant of a unit in Country Club Village Estates not eligible for Proprietary Membership, but who satisfies the conditions of the Bylaws of the Association and of this Declaration applicable to Country Club Village Estates respecting residency in Country Club Village Estates, shall be an Associate Member, which status shall continue in effect during such period as the Associate Member shall be an authorized non-proprietary tenant of a residential unit in Country Club Village Estates. Associate Membership shall carry all of the rights and privileges, and shall be subject to all obligations and responsibilities of Proprietary Membership, except there shall be no right to vote. At any time an Associate Member shall cease to be a resident of Country Club Village Estates, or shall become a Proprietary Member, his rights and privileges as an Associate Member shall thereupon terminate.

Section 2. Voting Rights. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all those Owners as defined in Section 2 with the exception of the Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 1, provided that the Class B Membership shall cease and become converted to Class A Membership on the happening of any of the following events, whichever occurs earlier:

- (a) The date of the Turnover Meeting or
- (b) At such earlier time as Declarant may elect in writing to terminate Class B Membership.

**ARTICLE IV
PROPERTY RIGHTS IN THE COMMON AREAS**

Section 1. Definition. The term "Common Areas" shall include:

- (a) All land in Country Club Village Estates not platted as a part of a Lot and not actually occupied by any part of a residential unit; and
- (b) All areas indicated on the plat as Tracts B, C, D and "PUE" together with the items designated on the Plat of the Property under "Note: Item II - Common Areas" including the improvements such as private streets, entry systems, islands, walls, perimeter fencing, landscape and lighting and sprinkler systems, water features and systems, mailbox areas, signage and the like shall be Common Area for the use and enjoyment of all Members. Such use and enjoyment shall be available to all Members pursuant to the terms of this Declaration, the Bylaws and the reasonable rules and regulations of the Board. Notwithstanding the foregoing, a part of Tract C shall be conveyed to the Owner of Lot 1 as provided in subpart (e) of this Section 1.
- (c) All buildings, roads, paths, utility lines, possible recreational facilities and other amenities and other improvements of whatever kind or nature, through or over all of or any part of the Common Areas.
- (d) Any other or additional Common Areas or facilities in Country Club Village Estates as designated by the Board of the Association.

Appurtenant to each Lot in Country Club Village Estates shall be a non-exclusive right and easement for the enjoyment to be shared in common with others in and to Country Club Village Estates, which rights and easements shall pass with the title to each Lot. Such rights shall be subject, however, at all times to the following provisions and limitations:

- (i) The right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use and easements, from time to time, in order to secure maximum safe usage of all Common Areas by those entitled to make use thereof without unduly infringing upon the privacy or enjoyment of the Owner or Occupant of any part of Country Club Village Estates including, without limitation thereto, rules restricting persons under or over designated ages from using certain portions of the Common Areas during certain times, and reasonable regulations and

restrictions respecting parking and speed.

(ii) Anything herein to the contrary notwithstanding, all of the Common Areas shall be subject to the easements defined or referred to in Article X. No Lot Owner or Owners shall have the right to alienate, transfer or partition any part or all of the appurtenances or any part or all of such Lot or Lot Owner's interests in any part of the Common Area. Partition of any Lot or any appurtenance to any Lot is prohibited.

(c) As set forth on the Plat of the Property, a part of Tract C lies south of and adjacent to Lot 1 ("South Tract C"), and South Tract C is hereby declared not to be a Common Area, and it shall be conveyed by Declarant to the future Owner of Lot 1, who shall own South Tract C in fee simple title, free of any interest of the Association. Notwithstanding the foregoing, the Owner of Lot 1 may not construct any improvements on or install any plants or shrubs higher than four feet on South Tract C unless it is approved by the Declarant, and after turnover, by the Association. It shall be the obligation and responsibility of the Owner of South Tract C to maintain and repair such area in accordance with good husbandry. If the Owner of Lot 1 fails to do so, after ten (10) days written notice to the Owner of Lot 1, then the Declarant initially, and the Association after turnover, shall have the right, and at the sole expense of the Owner of Lot 1, to maintain or repair any approved landscaping or structure located on South Tract C that the Owner of Lot 1 has failed to maintain or repair.

Section 2. Members' Easements of Enjoyment. Subject to the provisions of Section 1, Section 5 and Section 6, and subject to the control of the Board of the Association, every Member shall have a right and easement of reasonable enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 3. Title to Common Areas. The Declarant shall retain the legal title to the Common Areas until such time as it has completed improvements thereon and until such time as, in the opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision herein, the Declarant covenants, for itself, its successors and assigns, that it shall convey the Common Areas to the Association within fifteen (15) days of the Turnover Meeting as set forth in Article IX.

Section 4. Delegation of Use. Any Member may delegate or assign, in accordance with the Bylaws, his right of enjoyment of the Common Areas and facilities to the Member's tenants, or contract purchasers who reside on the Property.

Section 5. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) At no time may a Member, a Member's family, or a Member's delegates walk, jog, ride a bicycle, golf cart, or any other mobile vehicle, or in any other manner venture beyond

the boundaries of the Country Club Village Estates and Common Area boundaries onto the Rogue Valley Country Club's fairways or greens unless such Member is also a member of the Rogue Valley Country Club and has the Rogue Valley Country Club's permission to do so.

(b) The right of the Association to charge reasonable admission and other fees for the use of any possible recreational facility situated upon the Common Area, and to limit the number of guests of Members at such possible recreational facilities.

(c) The right of the Association as provided in its Articles or Bylaws, to suspend the voting rights and right to use of the possible recreational facilities by a Member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days (in addition to fines) for any infraction of its published rules and regulations.

(d) The right of the Declarant and of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage the Common Areas and to acquire property encumbered by the lien or liens of the deeds or deeds of trust securing improvements on the Common Area.

(e) The right of the Declarant and of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure.

(f) The right of the Association to dedicate or transfer, at any time or upon dissolution, all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members agreeing to such dedication or transfer has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every Member at least ninety (90) days in advance of any action taken. Any such dedication or transfer must be consistent with the provisions of the then existing zoning ordinances of the City of Medford, Oregon.

(g) The right of the Association to grant any public utility, with or without payment of damages to the Association, easements for the construction reconstruction, installation, repair and/or necessary maintenance of utility lines through or over any portion of the Common Areas. The foregoing shall not be construed, however to permit any such public utility to acquire or damage any improvement located on the Common Areas, or other structures or installations situated thereon which would otherwise be deemed to be part of the realty, without the payment of damages, including severance or resulting damages, if any, to the Association, all in amounts and in a manner now or hereafter governing proceedings for the acquisition of private property for public use by condemnation in this State. The right of the

Association to grant easements for construction, maintenance, repair and use of the Common Areas, including common facilities thereon.

(h) The right of the Association to conduct the maintenance, repair and improvement of the Private Streets and Common Areas, including services, facilities and landscaping, the exterior maintenance of the Units and the surrounding landscape including the sprinkler systems and lighting systems, and for the improvement and maintenance of landscaping in cul-de-sac islands. Should the Association fail to adequately maintain such Common Areas and landscaping in the public right-of-way on North Phoenix Road and Hillcrest, the City of Medford, after giving appropriate notice to the Association, shall have the right to perform such maintenance work. In the event such City intervention is required, the City shall assess the costs of such work to the Association and the Association shall be responsible for reimbursing the City the amount assessed.

(i) The right of the Association to obtain and maintain fire and extended coverage insurance on all Association property on a current replacement cost basis in an amount not less than ninety (90%) of the full insurable value (based on a 90% co-insurance clause and current replacement cost), and to use all such hazard insurance proceeds from the loss of any Association property solely for the repair, replacement or reconstruction of such Association property.

Section 6. Limitations. So long as Declarant owns any Lots, Declarant reserves an easement over, under and across the Common Areas in order to carry out development, construction, sales and rental activities necessary or convenient for discharging Declarant's obligations hereunder, for exercising of Declarant's rights hereunder, or for the construction, sale or rental of Lots and Living Units.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, and each Consenting Party for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay the Association:

- (a) All annual assessments or charges, and
- (b) All special assessments including those for capital improvements, and
- (c) For reserves for the insurable portions of all items in the Common Area which normally require replacement, in whole or in part, in more than three (3) and less than thirty (30)

years. Such assessments shall be fixed, established, assessed and collected from time to time as provided in this Declaration or in the Bylaws, or by resolution of the Board of the Association. The annual assessments with respect to any particular Lot shall commence to be due upon the first day of the calendar month following the closing of the last lot equal to or greater than seventy-five percent (75%) of the Lots in the Property.

Assessments paid into the reserve account are the property of the Association and are not refundable to sellers or Owners of Lots. The assessments for reserves shall be used as provided in ORS 94.595, now or as hereafter amended. The assessment for the reserve account requiring replacement of items in the Common Areas in more than three (3) and less than thirty (30) years shall commence on the first day of the calendar month following the sale of seventy-five percent (75%) of the Lots in the Property owned by Declarant or Consenting Parties as of the date of this Declaration.

(d) The annual, special and reserve assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. The Declarant shall pay all common expenses of the planned unit community until individual Lots are assessed for common expenses, which assessments shall commence on the first day of the calendar month following the closing of the last lot equal to or greater than seventy-five percent (75%) of the Lots in the Property owned by Declarant or the Consenting Parties as of the date of this Declaration.

(e) Each such assessment together with interest, cost, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be for the purpose of making provision for payment of all common expenses and required reserves. Such assessments shall be used for procurement and maintenance of a general liability policy insuring the Association, its Members and directors, against liability arising out of any accident, occurrence or even upon or in any Common Area, for the improvement and maintenance of the Common Areas, private streets, water system, fire hydrants, planted parkways, other common facilities, and landscaping devoted to this purpose and related to the use and enjoyment of the Common Areas by the Owners of Lots in the Property, including, but not limited to, the payment of taxes and insurance thereon and maintenance, repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management, and supervision thereof. Further, such assessments levied by the Association also shall be used to improve and maintain landscaping in the public right-of-way including landscaping on North Phoenix Road and Hillcrest, which border the Property.

Section 3. Annual Assessment. The Association's Board of Directors shall from time to time and at least annually prepare an operating budget for the Association, taking into account the current costs of maintenance and services and future needs of the Association, any previous year's assessment and any surplus of the Association. The budget shall provide for such reserve or contingency funds as the Board deems necessary or as may be required by law. The method of adoption of the budget shall be as provided in the Bylaws.

Section 4. Special Assessments. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a described capital improvement within the Common Area or any private street or way, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Declarant Subsidy of Maintenance/Repairs. Commencing on August 1, 1996, and until seventy-five (75%) percent of the Lots have been sold and conveyed to Owners, other than Declarant or Consenting Parties, Declarant, shall, at its sole cost and expense maintain the Common Areas. After seventy-five (75%) of the Lots have been sold or conveyed to Owners other than Declarant or Consenting Parties, then the Owners of the Lots (including Declarant) shall be assessed their respective assessments as set forth in this Article V.

Section 6. Uniform Rate of Assessment. Annual, reserve and special assessments must be fixed at a uniform rate for all Lots.

Section 7. Date of Commencement of Annual Assessments: Due Dates.

(a) The first annual assessment year shall be deemed to commence on the first day of the month following the sale of and conveyance of seventy-five (75%) percent of the Lots to Owners, other than Declarant and the Consenting Parties, and shall end on December 31 of that calendar year.

(b) Thereafter, all annual assessments shall be fixed on a calendar year basis. All assessments shall become due and payable on January 5 of each calendar year, excepting any special assessments; provided, however, the Board, in its discretion, may allow such payments to be made annually, quarterly or in monthly installments on the date or dates as may be fixed by the Board.

(c) The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in

that year bear to twelve.

(d) The due day of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board of Directors.

(a) The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment levied against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

(b) Written notice of the annual assessment accompanied by a summary thereof shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 9. Effect of Nonpayment of Assessment or Fines: Remedies of the Association.

(a) If the assessments or Rules and Regulations violation fines are not paid on the date when due (being the dates specified in Section 7 hereof) or as determined by the Association, then such assessments or fines shall become delinquent and shall, together with such penalty and interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. Such assessments, fines, or costs and expenses, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment, fine or charge fell due, shall not pass to his successors in title unless expressly assumed by them.

(b) If the assessment or fine is not paid within thirty (30) days after the due date (the "Delinquency Date"), a late charge in the amount of ten percent (10%) of the assessment, charge, or fine due will be levied and the assessment or fine shall also bear interest from the Delinquency Date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the Lot, and there shall be added to the amount of such assessment or fine the costs of preparing and filing the complaint in such action, and attorney fees so incurred in connection with such collection efforts (whether or not suit or action is filed) and in the event a judgment is obtained, such judgment shall include interest on the assessment or fine as above provided and a

reasonable attorney's fee to be fixed by the court together with the costs of the action.

(c) The Association shall also have any other remedy allowed or provided by law or in equity.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, fines, charges, and lien created herein:

(a) All properties dedicated to and accepted by a local public authority;

(b) All Common Areas defined in Article I; and

(c) All properties owned by charitable or other organizations exempt from taxation by the laws of the State of Oregon; provided, however, no land or improvements devoted to dwelling use shall be exempt from the assessments, charges or liens.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. For the purposes of further assuring the development and continued existence of Country Club Village Estates as an area of high standards, the Declarant reserves the power to control the buildings, structures and other improvements placed, erected or maintained on each Lot and elsewhere in Country Club Village Estates, as well as to make such exceptions, waivers or consents to this Declaration as the Declarant or the Committee hereinafter designated shall deem necessary or proper. As a part of that purpose an Architectural Control Committee is established and shall exist with jurisdiction and authority as provided in this Section and Article VII, Section 28, "Grant of Waivers or Consents."

In addition to the specific powers vested in the Committee by Article VII, Section 28, the Committee shall have the full and complete power to control every matter which affects the exterior of any Living Unit and the plantings, walls, fences and structures or improvements of any other kind which may or might tend to alter in any way the nature or appearance of any Unit on any Lot. No change or alteration within the control or jurisdiction of the Committee shall be made by any person without first having secured the written consent of the Committee.

No building, fence, wall, or other structure shall be commenced, erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee as to quality of workmanship, materials, color, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation.

Section 2. Committee Membership. The Committee shall consist of not less than three (3) members, who may be, but need not be, Owners of Living Units, or Owners, in Country Club Village Estates. At all times until the Declarant shall no longer own any property in Country Club Village Estates, the Declarant shall have fully authority to designate and appoint each of the Members of the Committee and the Members, respectively shall serve at the pleasure of the Declarant. When the Declarant shall no longer own any property in Country Club Village Estates, or at an earlier time upon waiver by Declarant of its authority to designate and appoint, each member of the Committee shall be designated and appointed by the Board of Directors of the Association and shall serve at the pleasure of such Board.

The initial Architectural Control Committee shall be composed of David W. Hammonds, Scott Goings and Bill Earl and the mailing address is 1225 Avenue "C", White City, Oregon. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the Declarant has the authority to designate a successor until control is turned over to the Board of Directors.. Neither the members of the Committee nor its designated representative, shall be entitled to any compensation for services performed pursuant to the covenants.

Upon the sale of the last lot owned by the Declarant, the members of the committee shall resign, and thereafter, the Board of Directors shall appoint the members of the Architectural Control Committee. Notwithstanding the foregoing, Declarant may at any time delegate to the Board of Directors of the Association the right to appoint or remove Members of the Architectural Review Committee. In such event or in the event Declarant fails to appoint an Architectural Review Committee, the Board of Directors shall assume responsibility for appointment and removal of the Architectural Review Committee, or if it fails to do so, the Board of Directors shall serve as the Architectural Review Committee.

If there is any ambiguity in the Bylaws or this Declaration, the Architectural Review Committee shall have the right to resolve such ambiguity with respect to its duties under the Declaration.

Section 3. Majority Action. Except as otherwise provided herein, a majority of the Members of the Architectural Review Committee shall have the power to act on behalf of the Architectural Committee, without the necessity of a meeting and without the necessity of consulting the remaining members of the Architectural Review Committee. The Architectural Review Committee may render its decision by written instrument setting forth the action taken by the members consenting thereto.

Section 4. Liability. The scope of the Architectural Review Committee's review is not intended to include any review or analysis of structural, geophysical, engineering, building code compliance or any similar considerations. Neither the Architectural Review Committee nor any member thereof, shall be liable to an Owner, occupant, builder or developer for any damage,

loss or prejudice suffered or claimed on account of any action or failure to act of the Architectural Review Committee or a member thereof, provided only that the member has, in accordance with the actual knowledge possessed by such member, acted in good faith.

Section 5. Non-Waiver. Consent by the Architectural Review Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent.

Section 6. Appeal. After Declarant has delegated appointment of the members of the Architectural Review Committee to the Board of Directors of the Association, any Owner adversely affected by action of the Architectural Review Committee may appeal such action to the Board of Directors of the Association. The appeal shall be made in writing within ten (10) days of the committee's action and shall contain specific objections or mitigating circumstances justifying the appeal. A final, conclusive decision shall be made by the Board of Directors of the Association within fifteen (15) working days after receipt of such notification.

Section 7. Effective Period of Consent. The Architectural Review Committee's consent to any proposed improvement shall automatically be revoked one (1) year after issuance unless construction of the improvement has been commenced by the Owner or the Owner has applied for and received an extension of time from the committee.

Section 8. Construction by Declarant. Improvements constructed by Declarant on any Property owned by Declarant are not subject to the requirements of this Article VI.

ARTICLE VII PROTECTIVE COVENANTS AND RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one, detached or attached, single-family living unit not to exceed the height mandated by the applicable governmental building code and a private, enclosed, garage of such size and dimension so as to accommodate not less than two (2) automobiles for each living unit.

Section 2. Fences, Hedges and Walls. It is intended that fences, hedges and walls will be used for screening and privacy purposes only as described in Section 3 below. Fences, hedges, or walls will not be permitted to be built along or near property lines for the purpose of dividing one lot from another, unless otherwise approved by the Architectural Control Committee. Declarant intends that Common Area within the Property shall blend into each Lot. To install fences between Lots would defeat this blend. Variances or exceptions may be allowed if first approved in writing by the Architectural Control Committee as provided in Section 29.

Section 3. Service Areas. Any proposed plans for fencing, hedges, walls, or screening of dog or pet runs, wood, outdoor storage, bicycle racks, garbage cans, service meters, and air condition units from view of adjacent property, Common Areas, golf course, private streets, and paths must be submitted and approved by the Architectural Control Committee. Such fencing, hedges, walls, or screening shall only be approved by the Committee if it preserves the open area and beauty of the Property.

Section 4. Landscaping. All the Property will be completely landscaped (including sprinklers) by the Declarant. The original landscaping as installed by Declarant shall not be modified (other than the addition of small plants and flowers) on a Lot unless specifically approved by the Architectural Control Committee. Further, each Owner shall maintain the landscaping so installed on or around a Lot, which landscaping is not located on the Common Area maintained by the Association.

Section 5. Conversion of Garages to Living Space Prohibited. As provided in Section 1 of this Article VII, an enclosed garage for not less than two (2) automobiles is required on each Lot. No conversion, modification, alteration or change shall be made to buildings on any Lot which would reduce this minimum enclosed garage requirement.

Section 6. Alterations, Additions and Temporary Structures. No exterior alteration or addition, however slight, shall be made to any Unit without prior written approval as provided in Section 29. Without limiting the generality of the foregoing, the term "exterior alteration" includes a change of color of paint on the exterior of any Unit. No structure of a temporary character (except a possible sales office operated by Declarant or its successor agent) shall be erected or maintained on any Lot other than during the period required for building, construction or emergency nor shall any such structure or basement, garage or trailer be used at any time for living quarters.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot any time as a residence either temporarily or permanently. The foregoing covenants and restrictions shall not apply to or prohibit the erection or maintenance of a sales office or other buildings utilized during construction by the Declarant and shall not apply to or affect any signs, used by the builder or by any firms, persons or corporations, holding a mortgage or mortgages, or by any persons, firms, corporations and agents who may, will and do insure and guarantee mortgage or mortgages, as to the Lots.

Section 7. Parking and Storage of Resident Owner's Vehicles and Boats. Parking of boats, trailers, motorcycles, trucks, truck campers or other recreational vehicles or equipment shall not be allowed on any part of the Property nor on public or private streets adjacent thereto, excepting only within areas designated for such purposes by the Board of Directors of the Association or within the confines of an enclosed garage or in the driveway while the Owner of a Living Unit is utilizing such vehicle on a daily or regular basis.

No Owner shall permit any vehicle which is in a state of visible disrepair to be abandoned or to remain parked outside of an enclosed garage upon any Lot or the Common Areas or on any street for a period in excess of forty-eight (48) hours. A vehicle shall be deemed in a "state of visible disrepair" when the Board of Directors reasonably determines that its presence offends the occupants of the neighborhood. Should any Owner fail to remove such vehicle within five (5) days following the date on which notice is mailed to such Owner by the Association, the Association may have the vehicle removed from the Property and charge the expense of such removal to the Owner.

Section 8. Trade of Business. No trade or business of any kind shall be advertised from or transacted on any Lot.

The foregoing shall not be deemed to prohibit the right of the Owner of a Lot to maintain such Owner's professional personal library, keep such Owner's personal business or professional records or accounts, handle such Owner's personal business or professional telephone calls or to confer with business or professional associates, clients, or customers, in such Owner's Living Unit. The Board of Directors shall not approve commercial activities otherwise prohibited by this Section 8 unless the Board of Directors determines that only normal residential activities would be observable outside of the Living Unit and that the activities would not be in violation of applicable governmental ordinances.

Section 9. Day Care Centers and Foster Homes. Under no circumstances shall any residence on any Lot in Country Club Village Estates be utilized as a day care facility or foster home of any kind.

Section 10. Signs. No signs of any kind or character shall be exhibited, displayed or placed upon any portion of the Property, except that the Owner of any Lot may place a standard real estate sign bearing the words "For Sale" or "To Rent" together with the name and address of the person to whom inquiries regarding the sale or rent of such Lot are to be addressed. Provided however, that the Declarant shall have the right to maintain such signs on the Property as may be necessary to permit the marketing of the homes to be built upon the Property.

Section 11. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved to the City of Medford, public utilities or other governmental agency shown on the recorded plat, and this instrument shall in no way affect, limit or restrict same.

Section 12. Offensive or Unlawful Activities. No noxious, illegal, or offensive activity shall be carried on upon any Lot, nor shall anything be done on a Lot or Common Area which may be or may become an annoyance or nuisance to the neighborhood, or which interferes with or jeopardizes the enjoyment of the Lots or the common Areas. No unlawful use shall be made of the Lot nor any part thereof, and all valid laws, zoning ordinances, and regulations of all

governmental bodies having jurisdiction thereof shall be observed. No unreasonably noisy activity shall occur on any Lot or Common Area and what constitutes unreasonably noisy activity shall be determined by the applicable governmental code, ordinance, statute, law, or regulation.

Section 13. Pets. No animals of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose. Dogs, cats or other household pets must be kept restrained at all times and at no time be allowed to run loose in Country Club Village Estates or the adjacent Rogue Valley Country Club Fairways. Pets that are being walked must be on a leash and an Owner must immediately pick up behind their pets. No dog or cat shall be permitted to roam the Property unattended. An Owner or resident may be required to remove a pet upon receipt of the third notice in writing from the Board of Directors of any violations of rule, regulation or restriction governing pets within the Property.

Section 14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall only be kept in sanitary containers and all equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 15. Mail Boxes. The United States Postal Service requires that all mail delivery be accomplished in individual, locked mail boxes clustered in groups of 8, 12, 16, or more, and not directly at each Living Unit site. Such locked mail boxes will be furnished, at no cost to the homeowner, by the Postal Service, and will be grouped together at a centralized location at the Country Club Village Estates development. Individual free-standing mail boxes at each Lot will not be permitted.

Section 16. Newspaper Delivery. No delivery containers shall be post mounted or otherwise located within any street right-of-way, or within any front or side yard so they are visible from a public right-of-way or common-open-space.

Section 17. Antennas. Exterior antennas and satellite receivers are prohibited in the Property, unless approved by the Architectural Control Committee.

Section 18. Buildings, Sheds, Decks, Porches, Patios, Screened Enclosures. No building, shed, deck, porch, patio, or screened enclosure whether attached or detached shall be commenced, erected, or maintained upon the Lot or Property until the plans and specifications for the structure have been approved by the Architectural Control Committee. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be build or used on any Lot at any time.

Section 19. Pools, Hot tubs and Whirlpools. No pools or spas shall be commenced, erected, or maintained until the plans and specifications for such items including screening and security fences have been approved by the Architectural Control Committee.

Section 20. Wood Burning Fireplaces or Wood Stoves. No wood burning fireplace or wood stoves of any kind are allowed.

Section 21. Clothesline and Drying of Clothes. No clotheslines, clothing, laundry or wash shall be aired or dried on any portion of the Lots that would be visible from the neighboring lots, Common Areas, pathways, or Rogue Valley Country Club fairways.

Section 22. Outside Lighting. Each Unit's lighting shall be approved by the Architectural Review Committee. Common Area outside lighting system has been provided.

Section 23. Slope and Drainage Easements. Each Owner of a Lot will permit access by the Owner of an adjoining or adjacent Lot and the Association, their respective agents, employees, or any contractor hired by the Owner or Association, to construct, maintain or repair slopes or drainage ways on the Lot of the former for the protection and use of such adjoining or adjacent Lot. Each Owner will not block, hinder or interfere with the established drainage pattern over such Owner's Lot from adjoining or adjacent Lot or Common Areas.

Section 24. Occupancy of Residential Units. No Unit in Country Club Village Estates shall be occupied by any person who is not a Proprietary or Associate Member of the Association; provided, this restriction shall not prohibit temporary and social visitation of the occupants of a Unit by persons not so qualified to be occupants. Provided, further, that variances from the restrictions on occupancy defined herein may be granted on such terms and conditions as granting authority may deem appropriate, as provided in Section 29.

Section 25. Roofs and Trees. No roof on any unit shall be replaced with other than material of like kind and color without prior written approval as provided in Section 29. No existing tree shall be removed or damaged within Country Club Village Estates and no exterior alteration or addition (whether joined to or detached from any unit in Country Club Village Estates) unless prior written consent as provided in Section 29 shall have been obtained.

Section 26. Owner Compliance. Each Owner shall comply with the Bylaws, with the administrative rules and regulations adopted pursuant thereto, and with this Declaration. Failure to comply shall be grounds for an action maintainable by the Association or by an aggrieved Unit Owner, in addition to other sanctions which may be provided by the Bylaws or by the administrative rules and regulations.

Section 27. Walks and Pathways. All walks and pathways in the Common Areas or Deed Restricted Areas are for the use of Association Members, on an equal basis, subject to

reasonable rules and regulations promulgated from time to time in writing by the Association. It shall be the responsibility of each Owner to allow maximum ease of pedestrian and vehicular ingress and egress over walks and streets and driveways and alleyways and allowing no obstruction or barrier on, across or adjacent to sidewalks or pathways which would interfere with any other Owner's use of the Common Areas or access to his own Lot.

Section 28. Maintenance of Structures and Grounds. Subject to the Association's rights and obligations in Articles XII and XIII, each Owner shall maintain each Owner's Lot and improvements thereon in a clean and attractive condition, in good repair and in such fashion as not to create a fire hazard. Such maintenance shall include, without limitation, repair, replacement and care for roofs, windows, gutters, downspouts, exterior buildings services, walks and other exterior improvements. Damage caused by fire, flood, storm earthquake, riot, vandalism, or other causes shall likewise be the responsibility of each Owner and shall be restored within a reasonable period of time. Landscaping on each Lot which was installed as part of the original construction shall be maintained by the Owner after purchase of a Lot.

Section 29. Grant of Waivers or Consents. Jurisdiction and authority to grant or extend exceptions, variances, waivers, or consents contemplated by the foregoing Sections 1 through 28, inclusive, shall be exclusively in the Declarant or its successor as developer, during such period as Declarant, or its successor as developer, shall own any real property in Country Club Village Estates. Thereafter, such jurisdiction and authority shall be exclusively in the Architectural Control Committee, subject to the rights of the Board of Directors to disapprove any action of such Committee.

ARTICLE VIII COMMON DRIVEWAYS

Section 1. Definitions.

(a) "Common Driveways" shall be the areas within the ingress and egress easements, as shown on the Plat of the Property, or as may subsequently be established by Declarant.

(b) "Affected Lots" shall be the Lots encumbered by and/or served by a Common Driveway.

Section 2. Restrictions.

(a) Common Driveways shall be used for the purpose of ingress and egress to the Affected Lots served by the individual Ingress and Egress Easements, for governmental and other emergency vehicle ingress and egress, and for construction and maintenance of utilities.

(b) No act shall be performed by any Member, their tenants, guests or agents which would in any manner affect or jeopardize the free and continuous use and enjoyment of any other authorized Member in and to the Common Driveway or an Affected Lot.

(c) There shall be no parking within a Common Driveway at any time except for delivery and/or emergency vehicles, unless all Owners of Affected Lots pertaining thereto shall agree upon other parking limitations.

Section 3. Damage or Destruction. In the event that any Common Driveway is damaged or destroyed (including deterioration from ordinary wear and tear and lapse of time):

(a) Through the act of an Owner or any of his agents, guests, invitees or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Common Driveway without cost to the other Owners of Lots that use the Common Driveway.

(b) Except as stated in subsection 3(a) above, it shall be the obligation of all Owners of Affected Lots for that Common Driveway to rebuild, maintain, and repair such Common Driveway at their joint and equal expense.

ARTICLE IX TRANSFER OF CONTROL

Section 1. Transitional Advisory Committee. Declarant with the Owners shall form a Transitional Advisory Committee (the "Transitional Advisory Committee") to provide for the transition from administrative responsibility by Declarant of Common Areas to administrative responsibility by the Association. Not later than the sixtieth (60th) day after Declarant has conveyed to Owners other than Declarant (or Consenting Parties) Lots representing fifty percent (50%) of the votes computed in accordance with Section 7 of Article II of the Bylaws, Declarant shall call a meeting of Owners for purposes of selecting the Transitional Advisory Committee. The Transitional Advisory Committee shall consist of three (3) or more members. The Owners, other than Declarant, shall select two (2) or more members. Declarant may select no more than one (1) member. The Transitional Advisory Committee shall have reasonable access to all information and documents which Declarant is required to turnover to the Association under ORS 94.616 or any successor statute.

(a) An Owner may call a meeting of Owners to select the Transitional Advisory Committee if Declarant fails to do so as provided above.

(b) Notwithstanding the foregoing, if the Owners do not select members for the Transitional Advisory Committee as described above, Declarant shall have no further obligation to form the Transitional Advisory Committee.

(c) The requirement for formation of a Transitional Advisory Committee shall not apply once the Turnover Meeting specified in Section 2 below has been held.

Section 2. Interim Board: Turnover Meeting. Declarant shall have the right to appoint an interim board of three (3) directors or more, who shall serve as the Board of Directors of the Association until replaced by Declarant or their successors have been selected by the Owners at the Turnover Meeting described in this Section. Declarant shall call a meeting by giving notice to each Owner as provided in the Bylaws of the Association for the purposes of turning over administrative responsibility for the Property, including the Common Areas, to the Association not later than one hundred twenty (120) days after Lots representing seventy-five (75%) percent of the votes in Country Club Village Estates South Village, computed in accordance with Section 7, Article II of the Bylaws, have been sold and conveyed to Owners other than Declarant (or Consenting Parties). If Declarant does not call a meeting required by this Section within the required time, the Transitional Advisory Committee described in Section 1 above or any Owner may call a meeting and give notice as required in this Section 2. At the Turnover Meeting, the interim directors shall resign and their successors shall be elected by the Owners and Declarant as provided in this Declaration and the Bylaws of the Association. In addition, at the Turnover Meeting, the Declarant shall relinquish control of the administration of the corporation and the Owners shall assume control thereof and Declarant shall deliver to the corporation all of the items set forth in ORS 94.616(3), or successor statute. After the Turnover Meeting, Declarant or its representative shall be available to meet with the Board as provided under ORS 94.616(4) or its successor statute.

Section 3. Declarant Rights. Declarant reserves the following rights:

(a) To hold the voting power for all Lots owned by Declarant including additions of three (3) votes per Lot;

(b) To approve any and all amendments to the Declaration and the Bylaws so long as Declarant owns any Lots;

(c) To amend the Declaration for governmental agency purposes pursuant to Article XV, Section 4 and

(d) To maintain title to the Common Areas until Declarant has completed all Declarant's work thereon.

ARTICLE X EASEMENTS

Section 1. Easements and Encroachments. There is hereby granted a blanket easement to the Association, its directors, officers, agents, and employees, to any Manager

employed by or on behalf of the Association, and to all policemen, firemen, ambulance personnel, and all similar persons to enter upon any part or all of the Property and Lots and Units in the event of emergencies, in the performance of governmental functions, and in the exercise of the functions provided by this Declaration and the Articles, Bylaws, and Rules of the Association.

Section 2. Rights. The rights accompanying the easements provided by this Article X shall be exercised only during reasonable daylight hours and then whenever practicable only after advance notice to, and with the permission of, any Owner or tenant directly affected thereby, except in the event of an emergency situation, a governmental function, or as provided by this Declaration or the Bylaws, and in the event of any emergency, governmental function or as provided in the Declaration, then the easements may be exercised at any time as the circumstances may warrant.

Section 3. Right of Ingress and Egress. The Declarant, the Association and their respective agents and employees shall have a right to ingress and egress over the Common Area as required for construction, development, and maintenance of the Common Areas or the Lots.

Section 4. Easement for Utilities, Etc. There shall be and hereby is reserved to any public utility a perpetual and nonexclusive easement over all Lots, and any Common Area for the purpose of installing, repairing, and/or maintaining utility lines of any sort including, but not limited to, storage drains, sanitary sewers, gas lines, electric lines and/or cables, water lines, telephone lines, and the like.

Section 5. Easements for Landscaping and Related Purposes. There shall be and hereby is reserved to the Declarant and the Association a perpetual and nonexclusive easement over all Lots, and any Common Area, for a distance of fifteen (15) feet behind any Lot line which parallels a street (whether public or private) for the purpose of erecting and maintaining street intersection signs, direction signs, temporary promotional signs, entrance features, lights, and/or "theme areas", stone, wood, or masonry wall features, and/or related landscaping.

ARTICLE XI PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall of any Unit which is placed on the lot-line within 2.5 inches of each other and connected only at the roof shall constitute a party wall, or each wall which is built as part of the original construction of a Living Unit within the Property and placed upon the dividing line between Lots shall each constitute a party wall for purposes of this Declaration ("Party Wall"). Further, to the extent not inconsistent with the provisions of this Article XI, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

A Party Wall does not consist of the wallboard, paneling, sheet rock, tiles, wallpaper and paint on the interior of the Party Wall located in an individual Living Unit. These items shall be considered part of the Living Unit, the maintenance of which shall be the sole responsibility of the Owner of such Living Unit.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Wall shall be shared by the Owners who make use of the Party Wall in proportion to such use. The word "use" as referred to in this Section shall mean ownership of a Living Unit or other structure which incorporates such Party Wall or any part thereof. Either Owner sharing a Party Wall may cause such repairs and maintenance and seek contribution of the portion of the costs attributable to other Owners using the Party Wall. Each Owner must provide reasonable notice to the other Owner when maintenance work is required. Additionally, all exterior carpentry, painting and maintenance shall be agreed to by both Owners before the work commences.

(a) **Roofing.** The roof of any Living Units which covers both Living Units must be replaced at one time, unless otherwise approved in writing by the Board of Directors for the Association. The expense of maintenance, repair or replacement of the roof shall be equally borne by the Owners of the two Living Units.

(b) **Right to Maintain, Repair or Reconstruct Without Consent.** Any painting, roofing, repair, reconstruction or other maintenance to the exterior structure of a Living Unit which reasonably needs to be done and one Owner refuses to proceed, may be completed by the other Owner with the costs apportioned between the Owners in proportion to the benefit to the Living Units. There shall be a rebuttable presumption that the benefit of such exterior painting, roofing, repair, maintenance or reconstruction of or to a Living Unit benefits the Units equally.

(c) **Utility Easements.** Each Owner shall have an easement through the Party Wall for the purpose of installing, repairing, replacing, or maintaining utility lines, wires, pipes and conduits.

Section 3. Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, any Owner who has used the Party Wall may restore it, and if the other Owners thereafter make use of the Party Wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article XI, an Owner by his or her negligent or willful act causes the Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements, subject, however, to reimbursement and/or contributions from available insurance policies.

Section 5. Right to Contribution Runs with the Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successor in title.

Section 6. Insurance. Each Owner of a Lot shall purchase and maintain insurance sufficient to cover any loss relating to the Lot and the Unit thereon, including extended coverage for full replacement of the Living Unit. Each Owner shall also purchase and maintain insurance covering their interest in a Party Wall, if applicable.

Section 7. Arbitration. In the event of any dispute arising concerning a Party Wall, or under the provisions of this Section, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be a majority of all the arbitrators, and such decision shall be final and binding on all parties concerned. Unless the arbitrators otherwise determine, the arbitration shall be conducted in accordance with the arbitration rules for Jackson County Circuit Court.

ARTICLE XII EXTERIOR MAINTENANCE

Section 1. Exterior Maintenance of Living Units. An Owner shall be responsible for the exterior maintenance of the Owner's Living Unit. If an Owner fails to maintain the exterior of the Owner's Unit, the Association has the right to perform such exterior maintenance upon each Lot and Living Unit which is subject to assessment under Article V hereof, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, landscaping, walks, sprinkler and lighting systems and other approved exterior improvements.

Section 2. Assessment of Cost. The cost of such exterior maintenance shall be assessed only against the Lot upon which such maintenance is done and shall be added to and become part of the annual maintenance assessment or charge to which such Lot is subject under Article V of this Declaration and, as part of such annual assessment or charge, it shall be a lien and obligation of the Owner and shall become due and payable in all respects as provided in Article V of this Declaration.

Section 3. Access at Reasonable Hours. For the purpose solely of performing the exterior maintenance authorized by this Article, the Association, through its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours on any day except Sunday.

Section 4. Interior Maintenance. Each Owner shall be responsible for maintaining and keeping in good order and repair the interior of any building located upon a Lot owned by

the Owner.

Section 5. Exterior Maintenance - Restrictions. All Unit Owners are expressly prohibited from painting, staining or changing the exterior of any building, garage, fence or wall, sprinkler system, lighting system, or landscaping without permission of the Association. In the event of the repair or reconstruction of any improvement by a Unit Owner, the improvement shall be repaired or reconstructed in such a manner to restore the improvement to its original condition. No substantial change shall be made in the process of repair or reconstruction of any improvement without the consent of the Association.

ARTICLE XIII POWERS AND DUTIES OF THE ASSOCIATION

Section 1. Discretionary Powers and Duties. The Association shall have the following powers and duties which may be exercised at its discretion:

(a) To enforce any or all building restrictions which are imposed by the terms of this Declaration or which may hereafter be imposed on any party of the Property. Provided, that nothing contained herein shall be deemed to prevent the Owner of any Lot from enforcing any building restrictions in the Owner's name; the right of enforcement shall not serve to prevent such changes, releases or modifications of the restrictions or reservations placed upon any part of the Property by any party having the right to make such changes, releases or modifications in the deeds, contracts, declarations or plats in which such restrictions and reservations are set forth; and the right of enforcement shall not have the effect of preventing the assignment of those rights by the proper parties wherever and whenever such rights of assignment exists. The expense and costs of any enforcement proceedings initiated by the Association may be paid out of the general fund of the Association, but the Owner against whom enforcement is sought shall be obligated to reimburse the Association for such attorney fees, costs and expenses incurred by the Association in any such action.

(b) To provide such lighting systems as the Association may deem advisable on entrances, streets, Units and walkways, and Common Areas and for the maintenance of any and all improvements, structures or facilities which may exist or be erected from time to time on any Common Area as well as exterior maintenance to each Unit and landscape surrounding each Unit including the sprinkler and lighting systems;

(c) To build facilities upon land owned or controlled by the Association;

(d) To use the Common Area and any improvements, structures, or facilities erected thereon subject to the general rules and regulations established and prescribed by the Association and subject to the establishment of charges for their use;

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(e) To mow and resow the grass and to care for, spray, trim, protect, plant and replant trees and shrubs growing on the Common Area and around each Unit and to pick up and remove the Common Area and area all loose material, rubbish, filth and accumulations of debris; and to do any other thing necessary or desirable in the judgment of the Association to keep the Common Area in neat appearance and in good order;

(f) To exercise all rights and control over any easements which the Association may from time to time acquire, including, but not limited to, those easements specifically reserved to the Association in Article X hereof;

(g) To create, grant and convey easements upon, across, over and under all Association properties including, but not limited to, easements for the installation, replacement, repair and maintenance of utility lines serving lots in the subdivision;

(h) To employ counsel and institute and prosecute such suits as the Association may deem necessary or advisable, and to defend suits brought against the Association;

(i) To employ from time to time such agents, servants and laborers as the Association may deem necessary in order to exercise the powers, rights and privileges granted to it, and to make contract; and

(j) To promulgate such rules and regulations as needed to regulate the use of any parking areas or streets that may be constructed or authorized on the Common Area for the benefit of all Owners, which rules and regulations may include assignment of parking spaces and restrictions or prohibition on certain vehicle as provided in this Declaration. Following adoption, a copy of the rules and regulations and any amendments or modifications hereto, shall be distributed to each Owner.

The foregoing is not intended to be an exclusive list of the Association's powers and it shall have all powers and rights as provided by law or in equity.

Section 2. Mandatory Powers and Duties. The Association shall exercise the following rights, powers and duties.

(a) To accept title to the Common Area and to hold and administer the Common Areas for the benefit and enjoyment of the Owners and occupiers of Lots in Country Club Village Estates. The purpose of this provision is to impose on the Association the obligation to accept title to any Common Area and to hold and maintain the same for the benefit of Owners and occupants to Lots in Country Club Village Estates South Village;

(b) To make and enforce rules and regulations which include those governing the use of the Common Areas, facilities, and pathways and to promote safety, well-being, and good

order for Country Club Village Estates South Village.

**ARTICLE XIV
RIGHTS OF MORTGAGES**

All first Mortgages shall have the rights allowed by law:

Section 1. Defaults. A First Mortgagee, upon request, will be given written notification from the Association of any default in the performance by the Owner of a Lot relating to the mortgage owned by the Mortgagee of any obligation under this Declaration or related Association documents, which is not cured within sixty (60) days.

Section 2. Unpaid Dues. A First Mortgagee who obtains title to a Lot pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed or assignment in lieu of foreclosure, will not be liable for such Lots's unpaid dues or charges which accrue prior to the acquisition of title to the Lot by the Mortgagee.

**ARTICLE XV
ENFORCEMENT**

Section 1. Use of Common Areas. In the event any Owner shall violate any provision of this Declaration, the Bylaws of the Association or other rules adopted by the Association governing the use of Common Areas, then the Association, acting through its Board of Directors, shall notify the Owner in writing that the violations exist and that such Owner is responsible for them, and may, after reasonable notice and opportunity to be heard, do any or all of the following: suspend such Owner's voting rights and right to use the Common Areas for the period that the violations remain unabated, or for any period not to exceed sixty (60) days for any infraction of its rules and regulations; impose reasonable fines upon the Owner, in the manner and amount the Board deems appropriate in relation to the violation, which fines shall be paid to the Association; or bring suit or action against such Owner to enforce this Declaration. Nothing in this Section, however, shall give the Association the right to deprive any Owner of access to and from such Owner's Lot.

Section 2. Nonqualifying Improvements and Violation of General Protective Covenants. In the event any Owner constructs or permits to be constructed on such Owner's Lot an improvement contrary to the provisions of this Declaration, or causes or permits any improvement, activity, condition or nuisance contrary to the provisions of this Declaration to remain uncorrected or unabated on such Owner's Lot, then the Association acting through its Board of Directors shall notify the Owner in writing of any such specific violations of this Declaration. If the Owner is unable, unwilling or refuses to comply with the Association's

specific directives for remedy or abatement, or the Owner and the Association cannot agree to a mutually acceptable solution within the framework and intent of this Declaration, after notice and opportunity to be heard and within sixty (60) days of written notice to the Owner, then the Association acting through its Board of Directors, shall have the right to do any or all of the following:

(a) Impose reasonable fines against such Owner in the manner and amount the Board deems appropriate in relation to the violation,

(b) Enter the offending Lot and remove the cause of such violation, or alter, repair or change the item which is in violation of the Declaration in such a manner as to make it conform thereto, in which case the Association may assess such Owner for the entire cost of the work done, which amount shall be payable to the Association, provided that no improvements shall be altered or demolished in the absence of judicial proceedings, or

(c) Bring suit or action against the Owner on behalf of the Association and other Owners to enforce this Declaration.

Section 3. Default in Payment of Assessments: Enforcement of Lien. If an assessment or other charge levied under this Declaration is not paid within thirty (30) days of its due date, such assessment or charge shall become delinquent and shall bear interest from the due date at the rate set forth below. In such event the Association may exercise any or all of the following remedies:

(a) The Association may suspend such Owner's voting rights and right to use the Common Areas until such amounts, plus other charges under this Declaration, are paid in full and may declare all remaining periodic installments of any annual assessment immediately due and payable. In no event, however, shall the Association deprive any Owner of access to and from such Owner's Lot.

(b) The Association shall have a lien against each Lot for any assessment levied against the Lot and any fines or other charges imposed under this Declaration or the Bylaws against the Owner of the Lot from the date on which the assessment, fine or charge is due. The provisions regarding the attachment, notice, recordation and duration of liens established on real property under ORS 87.352 to 87.382 shall apply to the Association's lien. The lien shall be foreclosed in accordance with the provisions regarding the foreclosure of liens under ORS Chapter 88. The Association, through its duly authorized agents, may bid on the Lot at such foreclosure sale, and may acquire, hold, lease, mortgage and convey the Lot.

(c) The Association may bring an action to recover a money judgment for unpaid assessments, fines and charges under this Declaration without foreclosing or waiving the lien described in Section 3(b) above. Recovery on any such action, however, shall operate to satisfy

the lien, or the portion thereof, for which recovery is made.

(d) The Association shall have any other right or remedy available to it by law or in equity.

Section 4. Notification of First Mortgage. The Board of Directors shall notify any first mortgagee of any individual Lot of any default in performance of this Declaration by the Lot Owner which is not cured within sixty (60) days.

Section 5. Subordination of Lien to Mortgages. The lien of the assessments or charges provided for in this Declaration shall be subordinate to the lien of any first mortgagee or deed of trust on such Lot which was made in good faith and for value and which was recorded prior to the recording of the notice of lien. Sale or transfer of any Lot shall not affect the assessment lien, but the sale or transfer of any Lot due to a decree of foreclosure or non-judicial sale under a first mortgage or trust deed or by any deed or assignment in lieu of foreclosure shall extinguish any lien of an assessment notice which was recorded after the recording of the mortgage or trust deed. Such sale or transfer, however, shall not release the Lot from liability for any assessments or charges thereafter becoming due or from the lien of such assessments or charges.

Section 6. Interest, Expenses and Attorney's Fees. Any amount not paid to the Association when due in accordance with this Declaration shall bear interest from the due date until paid at a rate of twelve percent (12%) per annum, or such other rate as may be established by the Board of Directors, but not to exceed the lawful rate of interest under the laws of the State of Oregon. A late charge may be charged for each delinquent assessment in an amount established from time to time by resolution of the Board of Directors of the Association not to exceed thirty percent (30%) of such assessment. In the event the Association shall file a notice of lien, the lien amount shall also include the recording fees associated with filing the notice, and a fee for preparing the notice of lien established from time to time by resolution of the Board of Directors of the Association. In the event the Association shall employ an attorney to collect the amount of a past due assessment (whether an action is filed or not) or if it brings any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the Owner-defendant shall pay to the Association all costs and expenses incurred by it in connection with collection, including a foreclosure title report, and the prevailing party in such suit or action shall recover its attorney's fees at trial and upon any appeal or petition for review thereof.

Section 7. Nonexclusiveness and Accumulation of Remedies. An election by the Association to pursue any remedy provided for in this Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted hereunder. The remedies provided in this Declaration are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law to the

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Association. In addition, any aggrieved Owner may bring an action against another Owner or the Association to recover damages or to enjoin, abate, or remedy any violation of this Declaration by appropriate legal proceedings.

ARTICLE XVI GENERAL PROVISIONS

Section 1. Notices.

(a) Any notice or other document permitted or required by this Declaration may be delivered either personally or by mail. Delivery by mail shall be deemed made forty (48) hours after having been deposited in the United States Mail with postage prepaid, addressed as follows: if to an Owner, at the address given by such Owner at the time of such Owner's purchase of a Lot, or at such Owner's Lot. The address of any party may be changed by such Owner, at any time, in writing delivered as provided herein.

(b) All meetings of the Board of Directors shall be open to the Owners. For other than emergency meetings, the Association Board shall cause to be posted at a public place in the Common Area, a notice of such meeting, at least three (3) days prior to the meeting. Emergency meetings may be held without notice if the reason for the emergency is stated in the Minutes.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. This Declaration, or any provision thereof, as from time to time in effect with respect to all or any part of the Property may be amended or repealed by the vote or written consent of Owners holding not less than seventy-five percent (75%) of the voting rights in the Association, together with the written consent of the Class B Member if such membership has not been terminated as provided herein. Any such amendment or repeal shall become effective only upon recordation in the official records of Jackson County, Oregon, of a certificate of the President or Secretary of the Association setting forth in full, the amendment, the amendments or repeals so approved and certifying that the amendment, amendments or repeal have been approved in the manner required by this Declaration. In no event shall an amendment under this Section create, limit or diminish special Declarant rights without Declarant's written consent, or change the boundaries of any Lot or any uses to which any Lot is restricted unless the Owners of the affected Lots unanimously consent to the amendment.

Notwithstanding the foregoing provisions above, until termination of the Class B Membership, Declarant shall have the right to amend this Declaration or the Bylaws of the Association or to comply with the requirements of any applicable statute, ordinance or regulation

or of the Federal Housing Administration, the Veterans' Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, any department, bureau, board, commission or agency of the United States or the state of Oregon, or any corporation wholly owned, directly or indirectly, by the United States or the state of Oregon which insures, guarantees or provides financing for a planned community or lots in a planned community.

Section 4. Duration. This Declaration shall run with the land and shall be and remain in full force and effect at all times with respect to all property subjected to these covenants and the Owners thereof, for an initial period of thirty (30) years commencing with the date on which this document is recorded. Thereafter, this Declaration shall continue to run with the land and be and remain in full force and effect at all times with respect to all properties subjected to these covenants and the Owners thereof for successive additional periods of ten (10) years each. The continuation from the initial or any additional period into the next subsequent period shall be automatic and without the necessity of any notice, consent or other action whatsoever; provided, however, that this Declaration may be terminated at the end of the initial or any additional period by resolution passed not less than one (1) year prior to the intended termination date by the vote or written consent of Owners owning not less than seventy-five (75%) percent of the voting rights in the Association. Any such termination shall become effective only if a certificate of the president or secretary of the Association, certifying the termination as of a specified termination date has been approved in the manner required herein, is duly acknowledged and recorded in the official records of Jackson County, Oregon, not less than six (6) months prior to the intended termination date. Such termination shall not have the effect of denying any Owner access to such Owner's Lot unless such Owner and any mortgagee of such Lot have consented in writing to the termination.

Section 5. Lessee's and Other Invitees. Lessees, invitees, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of this Declaration restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Lot and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner himself or herself.

Section 6. Non-Waiver. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7. Construction; Severability; Numbers; Captions. This Declaration shall be liberally construed as an entire document to accomplish the purposes thereof as stated in the introductory paragraphs hereof. Nevertheless, each provision of this Declaration shall be deemed

independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision. As used herein, the singular shall include the plural and the plural the singular, and the masculine and the neuter shall each include the masculine, feminine and neuter, as the context may require. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration.

Section 8. Compliance with Laws. All Lots and Units shall be used and occupied in conformance with all applicable federal, state and county laws and regulations.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein has hereunto set his hand and seal this 30th day of August, 1996.

DECLARANT:

HAMMONDS INVESTMENT SERVICES,
an Oregon limited liability company

By: [Signature]
Its: Member

[Signature]
F. Scott Goings

[Signature]
Hollie Goings

STATE OF OREGON)
) ss.
County of JACKSON)

This instrument was acknowledged before me on Aug 30, 1996, by David Hammonds, as the authorized member of Hammonds Investments Services, LLC, an Oregon limited liability company.



[Signature]
Notary Public for Oregon
My Commission Expires: 5-22-98

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STATE OF OREGON)
County of JACKSON) ss.

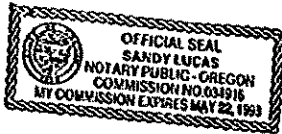
This instrument was acknowledged before me on Aug 30, 1996, by F. Scott Goings.



[Signature]
Notary Public for Oregon
My Commission Expires: 5-22-98

STATE OF OREGON)
County of JACKSON) ss.

This instrument was acknowledged before me on Aug 30, 1996, by Hallie C. Goings.



[Signature]
Notary Public for Oregon
My Commission Expires: 5-22-98

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EXHIBIT 1

Commencing at a brass disc marking the northwest corner of Donation Land Claim No. 58, Township 37 South, Range 1 West, Willamette Meridian, Jackson County, Oregon; thence South 00°04'29" East along the westerly line of said Donation Land Claim, 250.71 feet; thence North 89°50'00" West 30.00 feet to a point on the westerly right-of-way line of North Phoenix Road; thence continue North 89°50'00" West 8.90 feet to a brass disc in concrete for the initial point of beginning; thence continue North 89°50'00" West 789.87 feet; thence South 00°07'50" East 88.80 feet; thence North 53°14'42" West 44.80 feet; thence North 32°31'23" West 52.1 feet; thence North 24°16'16" East 42.67 feet; thence North 41°35'30" East 69.29 feet; thence North 30°05'00" East 77.31 feet; thence North 10°59'27" East 135.69 feet; thence North 40°14'10" East 140.18 feet; thence North 30°26'28" East 161.01 feet; thence North 19°03'21" West 54.00 feet; thence North 39°35'09" East 133.69 feet; thence North 47°02'29" East 25.04 feet to a point on the aforementioned westerly right-of-way line of North Phoenix Road; thence along said westerly right-of-way line along the arc of a 388.10 foot radius curve to the left (the long chord to which bears South 52°39'10" East 63.29 feet) an arc distance of 63.36 feet; thence South 57°19'46" East 365.46 feet; thence along the arc of a 256.48 foot radius curve to the right (the long chord to which bears South 28°42'08" East 245.77 feet) an arc distance of 256.30 feet; thence South 00°04'29" East 240.81 feet; thence leaving said westerly right-of-way line North 89°50'00" West 8.90 feet to the initial point of beginning.

(Code 49-1, Account #1-34540-3, Map #371W27BB, Tax Lot #7200) -(FKA)
(Code 49-1, Account #1-34541-1, Map #371W27BB, Tax Lot #7300) -(FKA)
(Code 49-1, Account #1-42617-9, Map #371W27, Tax Lot #1700) -(FKA)

"EXHIBIT #2"
COUNTRY CLUB VILLAGE ESTATES
SOUTH VILLAGE
 A Planned Community Development
 LOCATED IN:
 LOTS 5 AND 6 OF CRESTBROOK ORCHARD TRACTS, D.L.C. 20
 IN THE NW 1/4 OF SECTION 27 AND NE 1/4 OF SECTION 28
 TOWNSHIP 27 SOUTH, RANGE 3 WEST, WILLAMETTE MERIDIAN
 JACKSON COUNTY, OREGON

*** UNRECORDED ***

THIS PLAN IS SUBJECT TO THE PROVISIONS OF THE PLANNED COMMUNITY DEVELOPMENT ACT, OREGON LAWS 1973, CHAPTER 653, AND THE PLANNED COMMUNITY DEVELOPMENT REGULATIONS, OREGON ADMINISTRATIVE RULES 653-001 THROUGH 653-010, AS AMENDED.

David A. Smith
 PROJECT ARCHITECT

Myrtle M. Smith
 PROJECT ARCHITECT



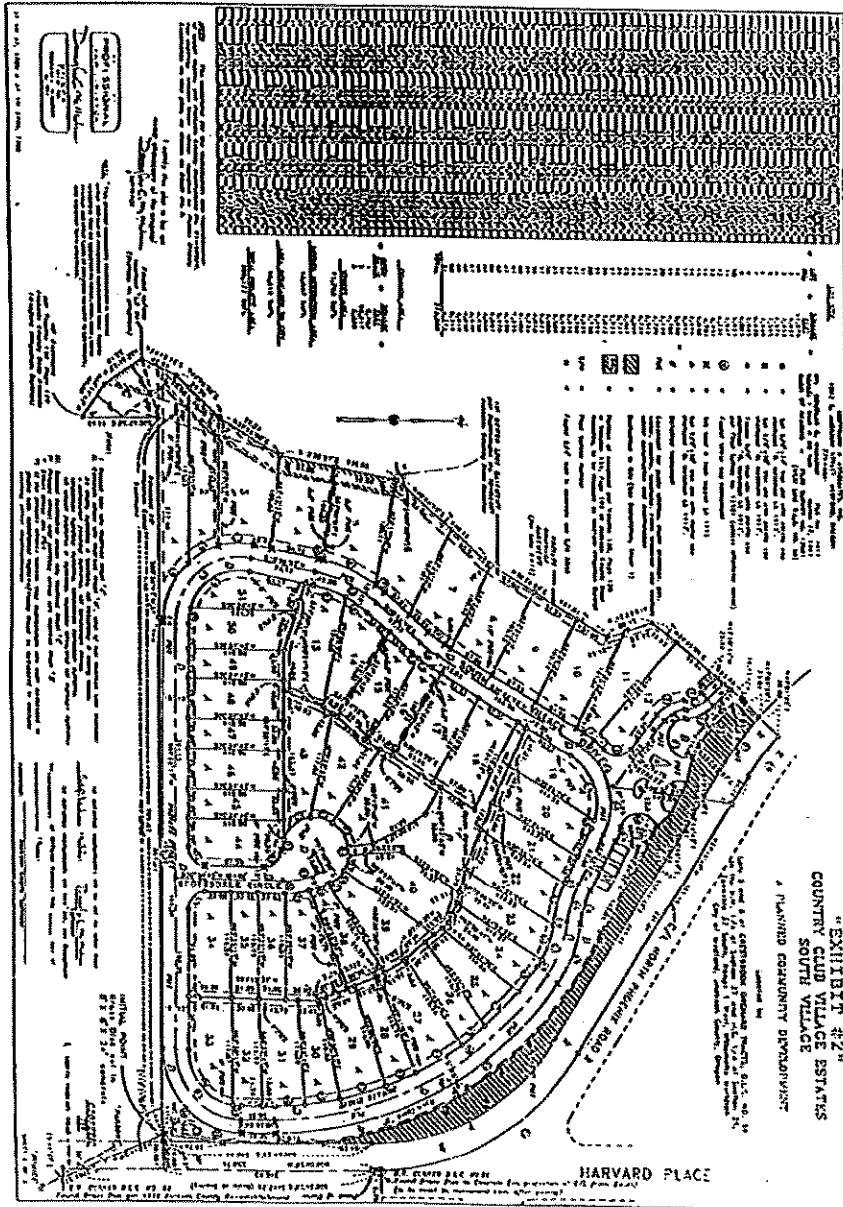
Douglas A. Smith
 PROFESSIONAL ENGINEER
 No. 12345
 STATE OF OREGON

John D. Smith
 PROJECT ARCHITECT

John D. Smith
 PROJECT ARCHITECT

John D. Smith
 PROJECT ARCHITECT

John D. Smith
 PROJECT ARCHITECT



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BYLAWS
OF
COUNTRY CLUB VILLAGE ESTATES
SOUTH VILLAGE HOMEOWNERS ASSOCIATION, INC.
an Oregon non-profit corporation

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**BYLAWS OF
COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE
HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I. NAME, MEMBERSHIP AND DEFINITIONS

Section 1. NAME. The name of the Association shall be "COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE HOMEOWNERS ASSOCIATION, INC. (the "Association"). The real property affected by these Bylaws is described on the attached and incorporated by this reference Exhibit "A" (the "Property" or "Country Club").

Section 2. MEMBERSHIP. The Association shall have two (2) classes of membership as more fully set forth in the Articles of Incorporation of the Association and the Restated and Amended Declaration of Covenants, Conditions, Restrictions, and Easements for Country Club Village Estates South Village (as amended, renewed or extended from time to time) (the "Declaration"). Class A members shall be those Owners other than the Declarant. The sole Class B member shall be the Declarant. Upon recordation of a conveyance or contract to convey a Lot, the grantee or purchaser named in such conveyance or contract shall automatically be a member of the Association, and shall remain a member of the Association until such time as such person's ownership ceases for any reason. For all purposes of the Declaration and the administration of the Property, Lot ownership shall be determined from the records maintained by the Association. The record shall be established by the Owner filing with the Association a copy of the deed to or land sale contract for such Owner's Lot, to which shall be affixed the certificate of the recording officers of the county of Jackson, Oregon, showing date and place of recording of such deed or contract. No person shall be recognized as an Owner unless a recorded copy of the deed or contract has been filed with the Association as provided above showing such person to be the current Owner or contract purchaser of a Lot. Notwithstanding the foregoing, the Declarant shall be the Owner of all previously unsold Lots, although no deed or land sale contract, with respect to such Lots, has been filed with the Association.

Section 3. DEFINITIONS. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall otherwise prohibit such interpretation.

ARTICLE II. ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

Section 1. PLACE OF MEETINGS. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors either in Medford, Oregon, or as convenient

thereto as possible and practical.

Section 2. ANNUAL MEETINGS. The first meeting of the members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association and not later than six (6) months after the closing of the sale of the first Lot on a date to be set by the Board. The next annual meeting shall be set by the Board so as to occur no later than thirty (30) days before the close of the Association's fiscal year. Subsequent regular annual meetings of the members shall be held within thirty (30) days of the same day of the same month of each year thereafter at an hour set by the Board. At such meetings, new members of the Board to replace Board members whose terms expired shall be elected by the members of the Association as provided in these Bylaws. The members may also conduct such other business as may properly come before the meeting.

Section 3. SPECIAL MEETINGS. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by at least twenty-five percent (25%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice, or unless consented to by all Owners of the Lots.

Section 4. NOTICE OF MEETINGS. It shall be the duty of the Secretary to mail or to cause to be delivered to the Owner of record of each Lot a notice of each annual or special meeting of the Association stating the purpose of the annual or special meeting, as well as the time and place where it is to be held; if an Owner wishes notice to be given at an address other than the Owner's Lot, the Owner shall designate by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not fewer than ten (10) nor more than fifty (50) days before a meeting. If mailed by other than first class or registered mail, notice shall be no fewer than thirty (30) nor more than sixty (60) days before a meeting.

Section 5. WAIVER OF NOTICE. Waiver of notice of any meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed a waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 6. ADJOURNMENT OF MEETINGS. If any meetings of the Association cannot be held because a quorum is not present (defined in Section 10), a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting

to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might not have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

Section 7. VOTING. The voting rights of the members shall be as follows:

(a) Each Class A member shall be entitled to one vote per Lot owned in Country Club on each matter voted on by the members of the Association. When more than one 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. Fractionalized or split votes shall be disregarded except for purposes of determining a quorum. The total number of votes, excluding Declarant's rights as a Class B member, shall be equal to the total number of Lots which are subject to these Bylaws.

(b) The sole Class B member (Declarant) shall be entitled to three (3) votes per Lot owned in Country Club on each matter voted on by the members of the Association. The Class B membership shall cease as provided in the Declaration, Article III, Section 2.

Section 8. PROXIES. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. A proxy shall not be valid if it is undated or purports to be revocable without notice. Every proxy shall be revoked automatically upon conveyance by the member of his or her Lot or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of a member or upon the expiration of eleven (11) months from the date of the proxy. A form of proxy or written ballot may provide an opportunity to specify approval or disapproval with respect to any proposal. Appointment of a proxy is revoked by the person appointing the proxy attending any meeting, giving actual notice of revocation to the person presiding over a meeting of the Association, and voting in person, or signing and delivering to the Secretary either a written notice that the proxy is revoked or a subsequent proxy appointment form.

Section 9. MAJORITY OF OWNERS. As used in these Bylaws, the term majority shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number of votes allowed under these Bylaws or the Declaration.

Section 10. QUORUM. The presence in person or by proxy of twenty percent (20%) of the vote which may be cast for election of directors of the Association shall constitute a quorum at all meetings of the Association, except as may be specifically provided otherwise in the Declaration.

Section 11. CONDUCT OF MEETINGS. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat.

Section 12. ACTION WITHOUT A MEETING. Any action which may be taken by the vote of members at a regular or special meeting, except the election of Board members, may be taken without a meeting if the action is taken by all the members entitled to vote on the action. The action must be evidenced by one or more written consents describing the action taken, signed by all members entitled to vote on the action and delivered to the Secretary for filing with the Association records. Action taken under this Section is effective when the last member signs the consent unless the consent specifies another date.

Section 13. ACTION BY WRITTEN BALLOT. Except as otherwise restricted by the Bylaws, any action which may be taken at any annual, regular or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter. Such written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements, state the percentage of approvals necessary to approve each matter and specify a reasonable time by which a ballot must be received by the Association in order to be counted. A written ballot may not be revoked.

Section 14. RECORD DATE.

(a) To determine the members entitled to notice of a members' meeting, the record date shall be the day before the day on which the first notice is mailed or otherwise transmitted to members in accordance with Article VII Section 5 of these Bylaws, or if notice is waived, the day preceding the day on which the meeting is held.

(b) To determine the members entitled to demand a special meeting, the record date shall be the date the first member signs the demand.

(c) To determine the members entitled to take action without a meeting, the record date shall be the date the first member signs the consent required under Section 12 above.

(d) To determine the members entitled to exercise any rights with respect to any other lawful action, the record date shall be the day on which the Board adopts a resolution relating to such actions, or the sixtieth day prior to the date of such action, whichever is later.

(e) A record date fixed under this Section 14 may not be more than seventy (70) days before the meeting or action requiring determination of the members.

(f) A determination of members entitled to notice of or to vote at a membership meeting is effective for any adjournment of any such meeting unless the Board fixes a new record date. The Board must fix a new record date if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

Section 15. **ORDER OF BUSINESS.** All meetings of the members shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of the preceding meeting;
- (d) Reports of officers;
- (e) Reports of committee;
- (f) Election of Directors;
- (g) Unfinished business; and
- (h) New business.

ARTICLE III. **BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS**

Section 1. **GOVERNING BODY: COMPOSITION.** The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the Directors shall be an Owner or a co-Owner of a Lot; provided, however, no person and his or her spouse may serve on the Board at the same time.

Section 2. **DIRECTORS DURING DECLARANT CONTROL.** The initial Directors shall be selected by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant until after the turnover meeting, unless the Declarant shall earlier surrender this right to select Directors. The Directors selected by the Declarant need not be Owners or residents in Country Club. After the period of Declarant appointment terminates, all Directors must be members of the Association. The Declarant may remove any Director appointed by Declarant with or without cause. Declarant shall give written notice to the Director and either the presiding officer of the Board or the corporation's President or Secretary and the

notice shall be effective as provided in Article VII, Section 5 unless a different date is specified in the notice.

Section 3. NUMBER OF DIRECTORS. The number of Directors in the Association shall be not less than three (3) nor more than five (5), as the Board of Directors may from time to time determine by resolution. The initial Board shall consist of three (3) directors.

Section 4. NOMINATION OF DIRECTORS. Except with respect to Directors selected by the Declarant, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. ELECTION AND TERM OF OFFICE. Notwithstanding any other provision contained herein:

(a) Except for the initial Directors, Directors shall be elected at the first annual meeting of the members, and at each annual meeting of the members thereafter. Cumulative voting shall not be permitted.

(b) The initial terms of the Directors shall be fixed at the time of their election as they among themselves shall determine. If there are five (5) Directors, the terms of two (2) Directors shall be fixed at two (2) years, and the terms of three (3) Directors shall be fixed at three (3) years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of three (3) years. Directors may succeed themselves. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association or until a Director resigns or is removed.

Section 6. REMOVAL OF DIRECTORS. At any regular or other special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, other than members appointed by the Declarant or persons, with or without cause, by a majority vote of all Owners present and entitled to vote at any meeting of the Owners at which a quorum is present, and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed by the members shall be given at least ten (10)

days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than sixty (60) days may be removed by a majority vote of the Directors at a meeting, a quorum being present. A Director who was elected solely by the votes of Class A members may be removed from office prior to the expiration of his or her term by the votes of a majority of Class A members.

In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

Section 7. VACANCIES. Vacancies in the Board of Directors caused by any reason, excluding the removal of a Director by vote of the members, shall be filled by a vote of the majority of the remaining Directors, even though less than a quorum, at any meeting of the Board. Each person so elected shall serve the unexpired portion of the vacated term.

Section 8. VOTING PROCEDURE FOR DIRECTORS. The first election of the Board shall be conducted at the turnover meeting of the Association, except the initial Board of Directors shall be appointed by the Declarant. At such election, the members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Voting for Directors shall be by secret written ballot.

Section 9. ORGANIZATION AND FIRST MEETING. If the initial Directors are named in the Articles of Incorporation, the initial Directors shall hold an organizational meeting at the call of the majority of the Directors with notice as provided in these Bylaws, to complete the organization of the corporation by appointing officers, adopting bylaws, and carrying on any other business brought before the meeting. Any action required or permitted under the Oregon Non-Profit Corporations Act to be taken by the initial Directors at an organizational meeting may be taken without a meeting if the action taken is evidenced by one or more written consents describing the action taken and signed by each initial Director as provided in Section 20 of this Article III.

(a) **Turnover Meeting.** Turnover of the administrative responsibility of the Association shall be accomplished as provided in the Declaration.

(b) **Transitional Advisory Committee.** Declarant shall form a transitional advisory committee to provide for the transition of administrative control of the Association from the Declarant to the Class A members. The meeting electing such committee shall be called as provided in the Declaration. The committee shall consist of three (3) members. The Class A members shall, by a majority vote, elect two members, and the Declarant shall elect one member.

The committee shall have reasonable access to such information and documents as the Declarant is required by law to make available. If the Declarant fails to call the meeting required under this Section, any Owner may do so.

The Declarant shall give notice of the meeting required under this Section 9(b), to each Owner at least seven (7), but not more than fifty (50) days prior to the meeting. The notice shall state the purpose of the meeting and the time and place where it is to be held. If such meeting is not called by the Declarant within the time specified, the meeting may be called and notice given by an Owner. If the Owners, other than the Declarant, do not select members for the committee under this Section 9(b), the Declarant shall have no further responsibility to form the committee.

Section 10. REGULAR MEETINGS. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. All meetings of the Board of Directors shall be open to Owners. Notice of the time and place of the meeting shall be posted at a prominent place within the Common Area and shall be communicated to Directors not less than three (3) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 11. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) by written notice by first class mail, postage prepaid; (c) by telephone communication, by teletype or other form of wire or wireless communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; (d) by private courier; (e) by overnight courier, charges prepaid; or (f) by telegram, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone (or other form of communication) or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting. Notices shall be posted at a prominent place within the Common Areas not less than seventy-two (72) hours prior to the scheduled time of the meeting.

Section 12. EMERGENCY MEETINGS. Emergency meetings of the Board may be held without notice if the reason for the emergency is stated in the minutes of the meeting and may be conducted by telephone.

Section 13. TELEPHONIC MEETINGS. In the event of an emergency, telephonic meetings may be held by the Board of Directors. Such telephonic meetings shall be carried on by means of a "conference call" in which each Director may speak with any of the other Directors. The Directors shall keep telephone numbers on file with the president to be used for telephonic meetings. No notice to either Directors or Association members shall be required for a telephonic meeting of the Board of Directors to be held for any emergency action. Provided, however, no such telephonic meeting shall occur unless at least seventy-five percent (75%) of the Board of Directors participate in the meeting and after an attempt has been made to call each Director at the telephone number maintained on file with the Board of Directors for such purpose.

Section 14. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 15. QUORUM OF BOARD OF DIRECTORS. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 16. COMPENSATION. No Director shall receive any compensation from the Association for acting as such unless approved by a majority vote of the total vote of the members at a regular or special meeting of the Association.

Section 17. CONDUCT OF MEETINGS. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 18. OPEN MEETINGS. All meetings of the Board shall be open to all members, but members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 19. EXECUTIVE SESSION. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personal matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 20. ACTION WITHOUT A FORMAL MEETING. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting. Such action shall be evidenced by one or more written consents describing the action taken, signed by each Director and included in the minutes or filed with the Association records. An explanation of the action shall be posted at a prominent place or places within the Common Areas within three (3) days after the written consents of all the directors have been obtained.

Section 21. POWERS. The Board of Directors shall be responsible for the management of the affairs of the Association and shall exercise all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things which are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the members of the Association.

The Board of Directors shall delegate to one of its directors the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent or Manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, by way of explanation, but not limitation:

(a) Preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses and reserve funds;

(b) Making assessments to defray the common expenses, establishing the means and methods of collection of such assessments, and establishing the period of the installment payments of the annual assessment (unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month);

(c) Providing for the operation, care, upkeep, and maintenance of all the Common Areas;

(d) Designating, hiring, and dismissing the personnel necessary for the

maintenance, operation, repair, and replacement of the Association, its Property, and the Common Areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) Making and amending rules and regulations;

(g) Opening of bank accounts on behalf of the Association and designating the signatories required;

(h) Making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(i) Enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) Obtaining and carrying insurance against casualties and liabilities, as provided in these Bylaws, and paying the premium cost thereof;

(k) Paying the cost of all services rendered to the Association or its members and not chargeable to Owners;

(l) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices;

(m) Make available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the Holders, Insurers, and Guarantors of a first Mortgage on any Lot current copies of the Declaration, the Articles of Incorporation, the Bylaws, the rules governing the Lot, and all other books, records, and financial statements of the Association;

(n) Permit utility suppliers to use portions of the Common Areas reasonably

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necessary to the ongoing development or operation of the Common Areas; and

- (o) File annually the necessary income tax returns of the Association.

Section 22. MANAGING AGENT.

(a) The Board of Directors may employ for the Association a professional managing agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent or Manager, subject to the Board's supervision, all the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and (i) of Section 21 of this Article. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent or Manager.

(b) No management contract may have a term in excess of three (3) years and must permit termination by either party without cause and without termination fee on ninety (90) days or less written notice.

Section 23. ACCOUNTS AND REPORTS. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise and in such resolution the Board may alter, change, or eliminate any of the following standards without the necessity of amending these Bylaws:

(a) Accrual accounting, as defined by generally accepted accounting principles;

(b) Accounting and controls should conform with established American Institute of Certified Public Accountants (AICPA) guidelines and principles (a segregation of accounting duties should be maintained, and disbursements by check shall require two (2) signatures. Cash disbursements shall be limited to amounts of Twenty-Five Dollars (\$25) and under);

(c) Cash accounts of the Association shall not be commingled with any other accounts;

(d) No remuneration shall be accepted by the Managing Agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received which shall benefit the Association;

(e) Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors; and

(f) Commencing three (3) months after seventy-five percent (75%) of the Lots are sold and closed, quarterly financial reports shall be prepared for the Association containing:

(i) An Income Statement reflecting all income and expense activity for the preceding three (3) months on an accrual basis;

(ii) An Account Activity Statement reflecting all receipt and disbursement activity for the preceding three (3) months on an accrual basis;

(iii) An Account Status Report reflecting the status of all accounts in an actual versus approved budget format with a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent (10%) of a major budget category (as distinct from a specific line item in an expanded charge of accounts);

(iv) A Balance Sheet of an accounting date which is the last day of the month closes in time to three (3) months from the date of closing of the first sale of a Lot in the project, and an Operating Statement for the period from the date of the first closing to the said accounting date, which shall be distributed within sixty (60) days after the accounting date;

(v) A Balance Sheet as of the last day of the Association's fiscal year and an Operating Statement for such fiscal year, which shall be distributed ninety (90) days after the close of a fiscal year; and

(vi) A Delinquency Report listing all Owners who have been delinquent during the preceding three (3) month period in paying the monthly installments of assessments and who remain delinquent at the time of the report and describing the status of any action to collect such installments which remain delinquent. A monthly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of each month.

(g) Failure of the Board of Directors to timely prepare and/or present a budget to the Owners shall not be cause for any Owner to fail or refuse to pay assessments. Assessments shall continue based upon the last adopted or accepted budget, until a new budget is created and announced. Retroactive increases and/or special assessments may be made by the Board of Directors to make up for any deficiency.

(h) In the event the Board of Directors fails to timely adopt a budget for a new fiscal year, Owners holding a majority of the votes of the entire Association, at any general or specially called meeting, may adopt such a budget, announce it to the Owners and immediately commence assessments based upon the newly adopted budget. Additionally, at any general or specially called meeting, Owners holding a majority of the votes of the entire Association may amend any budget adopted by the Board of Directors. Thereafter, assessments to Owners shall

be based on the budget as so amended until a new budget is adopted.

Section 24. BORROWING. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of the Common Areas and facilities without the approval of the members of the Association; provided, however, the Board shall obtain membership approval in the same manner provided in Section 10 of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year.

Section 25. RIGHTS OF THE ASSOCIATION. With respect to the Common Areas or other Association responsibilities owned, and in accordance with the Articles of Incorporation or Bylaws of the Association, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other home Owners or residents associations, both within and without the Properties. Such agreement shall require the consent of two-thirds (2/3) of the total votes of all Directors of the Association.

Section 26. HEARING PROCEDURE. The Board shall not impose a fine, suspend voting, or infringe upon any other rights of a member or other occupant for violations of rules unless and until the following procedure is followed:

(a) **DEMAND.** Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

(i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) A time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not continuing.

(b) **NOTICE.** The Board shall appoint a "Covenants Committee" to enforce violations. At any time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board or its delegate shall serve the violator with written notice of a hearing to be held by the Covenants Committee in executive session. The notice shall contain:

(i) The nature of the alleged violation;

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(ii) The time and place of hearing, which time shall not be less than ten (10) days from the giving of the notice;

(iii) An invitation to attend the hearing and produce any statement, evidence, and witness on his or her behalf; and

(iv) The proposed sanction to be imposed.

(c) **HEARING.** The hearing shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. 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 appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(d) **APPEAL.** Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the Manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

Section 27. PROHIBITED ACTS. The Board of Directors shall not take any of the following actions except with the written consent of a majority of the total votes of the Association, other than those of the Declarant:

(a) Incurring aggregate expenditures for capital improvements to the Common Areas in any fiscal year in excess of ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year;

(b) Selling during any fiscal year Property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(c) Paying compensation to members of the Board or to the officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association;

(d) Levy special assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

(e) Fill a vacancy on the Board created by the removal of a Director; or

(f) Enter into a contract with a third person wherein the third person will furnish goods or services for the Common Areas or the Association for a term longer than one (1) year with the following exceptions:

(i) A management contract, the terms of which have been approved by the Federal Housing Administration or Veterans' Administration;

(ii) A contract with a public utility company, if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

(iii) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the policy permits short rate cancellation by the insured.

Section 28. **ASSESSMENT OF COMMON EXPENSES.** The common expenses shall be collected from each Owner as provided in the Declaration.

ARTICLE IV. OFFICERS

Section 1. **OFFICERS.** The officers of the Association shall be a President, Secretary and Treasurer, and shall be elected by the Board of Directors. The Board of Directors may elect such other officers, including one or more Vice Presidents, Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

Section 2. **ELECTION, TERM OF OFFICE AND VACANCIES.** The officers of the Association shall be elected annually by the Board of Directors, commencing with the initial meeting of the Board of Directors and at each annual meeting of the Board thereafter, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term. A Board member may be an officer of the Association.

Section 3. **REMOVAL.** Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4. **POWERS AND DUTIES.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, managing agent, or both. The Secretary shall prepare minutes of all meetings of the Board of Directors and members of the Association and shall keep and maintain all records of the Association.

Section 5. **RESIGNATION.** Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. **AGREEMENTS, CONTRACTS, DEEDS, LEASES AND CHECKS.** All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V. COMMITTEES

Section 1. **GENERAL.** Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by law and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VI. INSURANCE

The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in the amounts hereinafter provided, and including insurance for such other risk of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other planned communities similar in construction and design and which insurance shall be governed by the provisions in this Article VI.

Section 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

common expense funds, the following insurance to the extent available at reasonable costs:

(a) A policy or policies of property insurance including, but not limited to, fire, extended coverage, vandalism and malicious mischief, for the full insurable replacement value, if available, of any improvements located on the Common Properties.

(b) A policy or policies insuring the Association, its Board of Directors, the Owners individually, and the Managing Agent against any liability to the public or the Owners and their invitees or tenants, incident to the ownership, supervision, control or use of the planned unit development. Limits of liability under such insurance shall be not less than \$1 million per occurrence for bodily injury and property damage liability. Such limit and coverage shall be reviewed at least annually by the Board of Directors which may increase the limit of and/or coverage, in its discretion. The policy or policies shall be used on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of the named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

(c) Worker's compensation insurance to the extent necessary to comply with any applicable laws.

(d) A fidelity bond naming such persons as may be designated by the Board of Directors as principals and the Association and the Owners as obligees for the amount determined by the Board of Directors. Provided, however, the Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds obtain adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

(e) The Association shall not be responsible for any loss or damage to personal property of any Owner, whether stored on the Common Areas or in the Owner's Lot, nor shall the Association maintain any insurance coverage for such loss.

Section 2. **INSURANCE COMPANIES AUTHORIZED.** All policies shall be written by a company licensed to do business in Oregon and shall have the best rating possible as determined by the Board of Directors.

Section 3. **AUTHORITY TO ADJUST LOSSES.** All losses under the policies hereafter in force regarding the property of the Association shall be settled exclusively with the Board of Directors or its authorized representative. Releases and proofs of loss shall be executed by at least two (2) Directors.

Section 4. **INSURANCE OF OWNERS.** Each Owner of a Lot shall obtain and maintain in full force and effect fire and all risk property insurance together with endorsements for replacement costs coverage, inflation adjustment, and vandalism and malicious mischief

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coverage, all in amounts not less than the full replacement cost of all improvements including the cost of debris removal, and comprehensive general liability insurance with limits, coverages, risks insured and waiver of subrogation clauses which are commonly required by financial institutions in the state of Oregon which regularly engage in the business of lending money secured by a first trust deed on one to four family residential real estate. All insurance policies required of Owners required under these Bylaws shall be written as primary policies, not contributing with or in excess of coverage which the Association may carry as provided under these Bylaws.

Section 5. PROVISIONS IN INSURANCE POLICY. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

(a) A waiver of subrogation by the insurer as to any claims against the Board of Directors, the Managing Agent, the Owners and their respective servants, agents, invitees and guests.

(b) A provision that the policy on the Common Areas cannot be canceled, invalidated or suspended on account of the conduct of any one or more individual Owners.

(c) A provision that the master policy on the Common Areas cannot be canceled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors or the Managing Agent without prior demand in writing that the Board of Directors or Manager cure the defect.

(d) A provision that any "no other insurance" clause in the master policy exclude individual Owners policies and not otherwise prevent such individual policies from providing coverage or damage to Lots or the Common Areas.

Section 6. RECONSTRUCTION COSTS. If the Association is required to or elects to reconstruct any of the improvements in the Common Areas which have been damaged or destroyed, all Owners, if the Board so determines, shall contribute such amounts as are necessary to pay for deductibles or any difference between the amount of insurance proceeds available and the actual costs of reconstruction.

Section 7. INSURANCE DEDUCTIBLE. The Board of Directors shall determine the amount of the deductible for property loss insurance policies, as well as all other insurance policies required to be procured by the Association under this Article VI in determining the deductible under the policies. The Board, among other factors shall take into consideration the availability, costs and loss experience of the Association. In this regard, as in other Board responsibilities, the Board members shall exercise their reasonable business judgment.

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The Association shall have no responsibility to procure or assist in procuring property loss insurance for any Owner or tenant for (a) damage to improvements on any Lot; or (b) for any damage or loss to the Owners or tenants personal property.

Section 8. **REVIEW OF INSURANCE POLICY.** At least annually, the Board of Directors shall review all insurance carried by the Association, which review shall include a consultation with a representative of the insurance carrier writing the policy for the Common Areas.

ARTICLE VII. MISCELLANEOUS

Section 1. **FISCAL YEAR.** The initial fiscal year of the Association shall be set by resolution of the Board of Directors.

Section 2. **PARLIAMENTARY RULES.** Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Oregon law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 3. **COMPLIANCE; CONFLICTS.** These Bylaws are intended to comply with the provisions of the Oregon Planned Community Act, which are incorporated herein and to supplement the provisions of the Declaration. If there are conflicts or inconsistencies between the provisions of Oregon law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Oregon law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 4. **BOOKS AND RECORDS.**

(a) **INSPECTION BY MEMBERS.** The membership register, books of account, and minutes of meeting of the members, the Board, and committees shall be made available for inspection and copying by any member of the Association or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a member at the office of the Association or at such other place within Medford, Oregon, as the Board shall prescribe.

(b) **RULES FOR INSPECTION.** The Board shall establish reasonable rules with respect to:

(i) Notice to be given to the custodian of the records by the member desiring to make the inspection;

- (ii) Hours and days of the week when such an inspection may be made;
- and
- (iii) Payment of the cost of reproducing copies of documents requested by a member.

(c) **INSPECTION BY DIRECTORS.** Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents at the expense of the Association.

Section 5. **NOTICES.** Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or when mailed with first class postage prepaid;

(a) If to a member, at the address which the member has designated in writing and filed with the Secretary or, if not such address has been designated, at the address of the Residential Unit of such Owner; or

(b) If to the Association, the Board of Directors, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the Owners pursuant to this Section.

Section 6. **AMENDMENT.** Prior to closing the sale of the first Lot, Declarant may amend the Bylaws. After sale of the first Lot, these Bylaws may be amended only by the affirmative vote (in person or by proxy) or written consent of members representing a majority of the total votes of the Association; provided, however, that the Class B member (Declarant) may amend these Bylaws at any time prior to transfer of administrative control in order to comply with ORS 94.585. Any amendment must be executed, recorded and certified as provided by law. Provided, however, no amendment of the Bylaws may effect an amendment of the Declaration or the Articles of Incorporation without compliance with the provisions of such documents in the Oregon Non-Profit Corporation Act. Provided further no amendment deleting or affecting any right of the Declarant may be adopted without the prior written consent of the Declarant.

Section 7. **AUDIT.** An audit of the accounts of the Association shall be made annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's audit at the annual meeting, the Owners, by a majority vote, may require that the accounts of the Association be audited as a common expense by a public accountant. Upon written request of any institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within ninety (90) days after the end

of each fiscal year.

Section 8. **WAIVER.** No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 9. **INVALIDITY; NUMBER; CAPTIONS.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural and the plural the singular. The masculine and neuter each will include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

We, the undersigned, being all the Directors of COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE HOMEOWNERS ASSOCIATION, INC. do hereby certify that we are entitled to exercise all the voting power of said corporation; and that we hereby assent to the foregoing Bylaws and hereby adopt the same as the Bylaws of the Association.

IN WITNESS WHEREOF, we have signed our names below this 30 day of August, 1996.

BOARD OF DIRECTORS:



Dave Hammonds



F. Scott Goings



Bill Earl

STATE OF OREGON)
) ss.
County of JACKSON)

The foregoing instrument was acknowledged before me on Aug 30, 1996 by
Dave Hammonds.





Notary Public for Oregon
My Commission Expires: _____

[Acknowledgments Continue on Following Page]

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STATE OF OREGON)
County of Jackson) ss.

The foregoing instrument was acknowledged before me on August 30, 1996 by F. Scott Goings.



[Signature]
Notary Public for Oregon
My Commission Expires: 6-22-98

STATE OF OREGON)
County of Jackson) ss.

The foregoing instrument was acknowledged before me on August 30, 1996 by Bill Earl.



[Signature]
Notary Public for Oregon
My Commission Expires: 5-22-98

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**APPOINTMENT OF DIRECTOR
OF
COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE
Homeowners Association, Inc.**

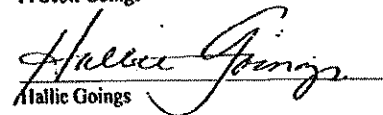
Pursuant to Bylaws, Article III, Section 2, the Declarant hereby appoints Bill Earl to replace Ron Stover and to serve until a successor is appointed or elected, as provided in the Bylaws. This appointment is effective as of August 2, 1996.

DECLARANT:

HAMMONDS INVESTMENT SERVICES, LLC

By: 
David Hammonds


F. Scott Goings


Hallic Goings

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Jackson County, Oregon
Recorded
OFFICIAL RECORDS
SEP 05 1996
8:29 AM

County Clerk

COUNTRY CLUB VILLAGE ESTATES SOUTH VILLAGE
HOMEOWNERS ASSOCIATION, INC.

ADMINISTRATIVE RULES & REGULATIONS
(AR&R's)

JANUARY 2023

CCVE SV HOA AR&R's • Respectfully Approved by the Board of Directors of the Country Club Village Estates South Village Homeowners Association, Inc. on January 11 , 2023.

FAQ's AND QUICK GUIDE TO ADMINISTRATIVE RULES & REGULATIONS

NOTE: Our FAQ's list is a limited reviewing of what makes us unique in our community. Always refer to the relevant sections of the CC&R's. It's important to read the CC&R's and AR&Rs thoroughly to get the details of how things actually work in our community. THE CC&R's IS THE CONTROLLING AND BINDING DOCUMENT. This AR&R's document is intended to reflect the intent of the CC&R's for Country Club Village Estates South Village Home Owners Association, Inc., hereinafter referred to as "HOA".

We are proud of our neighborhood. Our Administrative Rules and Regulations (AR&R's) help to clarify the intent of our CC&R's and help define what and how we will cooperate as a unique community.

CAN I PARK A VEHICLE ON THE STREET OVERNIGHT? Each resident's vehicles are to be either garaged or parked on the resident's home driveway nightly. Parking on the street is not allowed except for temporary periods, defined as no more than 72 consecutive hours combined in any 30 day period. The only exception is for government, utility, maintenance or emergency vehicles.

- Vehicles may be parked overnight in the designated added parking (mailbox parking area) for a maximum of 48 hours total during any 30 day period without needing to get a variance through CPM.
- SEE VII BELOW for details

CAN I (OR VISITOR, OR GUEST) PARK ON THE STREET? (See VII Below)

CAN I STORE EQUIPMENT, INCLUDING GARBAGE, RECYCLE AND DEBRIS BINS, IN PUBLIC VIEW? Please keep Garbage, Recycle, and Debris Bins out of sight, preferably in residence garages, except during the pick-up period. Bins should not be left on the street after the pick-up period. (See AR&R's, Section VI)

CAN I LEAVE MY PET OUTSIDE IN THE YARD FOR THE DAY?

Pets need to be kept indoors except when being exercised on a leash or confined to the resident's lot.

DO I HAVE ACCESS TO THE GAZEBO?

Yes. This is a common area for use on a first come, first serve basis. The HOA Board of Directors use this area occasionally for special meetings. Request your use through CPM.

WHAT IF I WANT TO CHANGE (PAINT OR CONSTRUCTION) THE EXTERIOR OF MY HOUSE/PROPERTY?

Changes of any kind must be submitted in written form to HOA's Architectural Control Committee prior to initiating any work. Written approval must be received prior to beginning the work.

Sign up at: https://cpmrealestateservices.appfolio.com/connect/users/sign_in Or... call CPM, John Dix: 541.773.6400

CAN I CONVERT PART OF MY GARAGE TO LIVNG SPACE?

No. (See Art. VII, Sec. 1 & 5 of CCR's)

WHAT IF I WANT TO CHANGE THE WAY MY YARD IS LANDSCAPED?

In the AR&R's Section X, A. is a list of Landscaping changes you may make without requiring Architectural Control Committee approval. Please review this before embarking on any changes. Other changes of any kind must be submitted in written form to CPM PRIOR TO INITIATING ANY WORK. Written approval must be received prior to beginning the work.

ADMINISTRATIVE RULES & REGULATIONS (AR&R's)

APPROVED BY THE HOA BOARD OF DIRECTORS, JANUARY, 2023

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I. ADMINISTRATIVE RULES and REGULATIONS

- A. These Administrative Rules and Regulations (AR&R's) are authorized by the Oregon Planned Community Act and by the Amended and Restated By-Laws and CC&R's of Country Club Village Estates South Village Homeowners Association, Inc.
- B. AR&R's are presented to assist all Country Club Village Estates South Village (Hereinafter "The Community") residents in better understanding these documents.
- C. Members who are out of compliance with or are requesting a variance from the CC&R's, By-Laws, or AR&R's, will be responsible for legal fees and fines incurred by the HOA.

II. COMMERCIAL PROPERTY MANAGEMENT

- A. The HOA Board of Directors contracted with **CPM** to be our exclusive agent acting on behalf of the Board of Directors for the HOA.
 - i. CPM is located at **718 Black Oak Drive, Suite A; Medford, Oregon, 97504.**
 - ii. CPM can be contacted by phone at **541-842-2404 (John Dix) or 541-842-2407 (Dawn Bisson).**
- B. CPM will oversee HOA real property and all improvements thereon with direction from the Board of Directors.
 - i. The best method to pay your dues is by setting up auto pay on CPM's on-line portal. Contact CPM for an activation link if do not already have one: https://cpmrealestateservices.appfolio.com/connect/users/sign_in
 - ii. All dues and assessments can also be sent or dropped off at CPM at the address listed above.
 - iii. A drop box is provided at the CPM office location for the use of Country Club Village Estates South Village residents.
 - iv. CPM will issue past due statements for late or unpaid dues.
 - v. Payments can be made by check or electronic transfer.
 - vi. CPM will keep a copy of your payments on file.
 - vii. Dues are payable by the first of each month; delinquent after the 30th of the month.
 - viii. A late charge of 10% of the monthly dues, plus interest at the rate of 12% per annum, will be assessed after the 30th of each month.

III. COMMON PROPERTY

- A. Common Property in HOA includes all areas not owned by lot owners of record and include, but is not limited to: streets and parking areas on the streets, all landscaped areas along the streets and, but not limited to, among the homes (for example, sidewalks/pathways), PUC Easements, the mailbox containers, parking at the mailboxes, front gazebo, pathways in the community, and all fencing along the perimeter of the property.
- B. For any damage to any aspect of the Common Property, the offending resident will be liable for any and all repair costs.

IV. SAFETY & SECURITY

- A. We take the Safety and Security of this community seriously and attend quickly to issues as they are reported. Emergency alerts are sent out via email from the HOA Board of Directors via CPM.

V. SPEED LIMIT

- A. The speed limit in the community is **15 mph**. We have many walkers and children in our community, and drivers must be responsible for their safety. Speeding violations are \$50 per violation.
- B. Skateboarding, rollerblading, roller skating and bicycles are not allowed on the sidewalks within the community.

VI. GARBAGE BINS/ MAINTENANCE EQUIPMENT & MATERIALS

Please keep Garbage, Recycle, and Debris Bins out of sight, preferably in residence garages, except during the pick-up period. Do not leave bins on the street after the pick-up period.

VII. PARKING

- A. Parking on the street is not allowed except for temporary periods, defined as no more than 72 consecutive hours combined in any 30 day period. The only exception is for government, utility, maintenance or emergency vehicles.
 - Vehicles may be parked overnight in the designated added parking (mailbox parking area) for a maximum of 48 hours total during any 30 day period without needing to get a variance through CPM.
- B. A parking variance may be requested through the property manager, CPM, and is available on line or in person at their offices.
 - Parking variances due to hardships/extenuating circumstances shall be limited to no more than 30 days and may be renewed no more than twice (90 days total).
- C. No maintenance or repair work on vehicles, with the exception of emergency work, shall be done outside of the resident's driveway or garage. Disabled vehicles must not remain in driveways or on the street for more than 48 hours and are subject to towing at owner's expense.
- D. Guests must park in the lot driveway or, if not available, in a space immediately closest to the homeowner's/resident's home visited or in the additional parking spaces at the mailboxes for not more than the prescribed hours (See A. and B. above) within a 30 day period unless granted an exception by CPM. Moving a vehicle to another space does not restart the clock. Swapping cars does not restart the clock.

VIII. PETS and ANIMALS

- A. No animals of any kind shall be raised, bred or kept on any lot. Dogs, cats or other household pets may be kept provided they are not commercialized.
- B. Dogs, cats or other household pets must never be allowed to run loose in the community or in the adjacent Rogue Valley Country Club fairways.

- C. Pets that are being walked, must be on a leash and the owner must pick up pet deposits (poop).
- D. After the third (3rd) notice of pet violation, an owner may be required to remove the pet.

IX. ARCHITECTURAL CONTROL COMMITTEE

Written requests for architectural changes of any kind to an owner's unit must be submitted to the Architectural Control Committee or the Property Manager's office **prior to initiating any work:**
https://cpmrealestateservices.appfolio.com/connect/users/sign_in or call: 541-842-2404, John Dix.

- A. A personal visit to the unit, by the Architectural Control Committee members, may occur to evaluate the request.
 - i. No action to the proposed architectural change shall be initiated by the home owner until written notification of approval has been received by home owner. These notices are sent through CPM.
 - ii. Written approval or disapproval from the Architectural Control Committee, through CPM, will be provided to the homeowner within thirty (30) days of the Committee receiving all needed information regarding the request of change.
 - iii. In the event that CCVE HOA is required to remove structures, installed by a home owner without HOA approval, the home owner shall reimburse CCVE HOA for all costs incurred by CCVE HOA in the removal.
- B. A "material change to the exterior" as stated in the CC&R's include, but is not limited to, changes in paint color, siding, size of windows and doors, change in size of deck or addition(s), etc.
- C. Fences are not allowed unless specifically reviewed and approved by the Architectural Control Committee. This is an open community layout by design and intent.
- D. Basic tenets:
 - i. The aim is that any/all changes to existing homes complement the style, materials, and color of the surrounding homes in the community.
 - ii. Sheds/outbuildings are not allowed.
 - iii. **Prior to digging, owner/builder must call for a utility locator (dial 811).**
 - iv. Permits, if necessary, must be obtained.
 - v. Be considerate of your neighbors. Talk to them before starting your project.
- E. General Suggestions for Solar Installations:
 Solar energy is an emerging technology with ongoing innovation, and Country Club Village Estates South Village HOA supports such energy-conserving technology. Country Club Village Estates South Village owners may install solar units on their properties with the following caveats:
 - i. Application must be made to the Architectural Control Committee prior to installation.
 - ii. Panels must be installed by licensed/bonded dealer/contractor.
 - iii. No lawn installations are allowed.
 - iv. Installations must be properly permitted.
 - v. Installations must be approved, in advance, by the Architectural Control Committee.
- F. Project Completion: The home owner must notify CPM of completion of the approved project. The Architectural Control Committee will inspect the project and notify CPM of

completion as approved or with conditions. CPM will then notify the homeowner of “Project Completion” or “Conditional Completion”.

X. LANDSCAPE CHANGES

Written requests for landscaping changes of any kind (Except under A. below) to a homeowners’ property must be submitted to CPM: https://cpmrealestateservices.appfolio.com/connect/users/sign_in CHECK THE CC&R’s FOR DETAILS!

Or... call CPM, John Dix: 541.842-2404 prior to initiating any work:

- i. A personal visit to the property by the members of the Architectural Control Committee may occur to evaluate the request.
 - ii. No action to the proposed landscaping change shall be initiated by the homeowner until written notification of committee approval has been received by homeowner.
 - iii. Written approval or disapproval from the Architectural Control Committee will be provided to the homeowner within thirty (30) days of the Committee receiving all needed information about the project.
 - iv. In the event that the HOA is required to remove landscaping, installed by a homeowner without formal approval, the homeowner shall reimburse HOA for all costs incurred for the removal.
 - v. All tree removals must be reviewed by the Architectural Control Committee prior to removal. The intent is “remove a tree... replace the tree”, with prior approval. Trees may be replaced following approval by the Architectural Control Committee. It is desired that new trees have a usual mature height of no more than 30 feet. Please refer to the Selected Street Tree List—City of Medford for easy to use information on acceptable trees in addition to a list of trees that are not approved.
 - o [approved-street-tree-listing.pdf \(medfordoregon.gov\)](#)
 - o Owners who have previously planted trees or shrubs that require removal are responsible for the cost of removal.
 - o Plantings of any kind are NOT PERMITTED on Common Areas.
 - o Removing a tree requires replacing the tree if approved by the Architectural Control Committee.
- A. The following landscape activities do not require approval by the Architectural Control Committee:
- i. Placement of top soil and reseeding/sodding of lawn as long as existing configuration is maintained.
 - ii. Planting of in-ground (or in moveable pots) flowers and non-noxious shrubs that will not grow to be over 4 feet tall/wide (mature state). Refer to Oregon Noxious Weed Profiles for list of noxious shrubs.
 - (<http://www.oregon.gov/oda/programs/Weeds/OregonNoxiousWeeds/Pages/AboutOregonWeeds.aspx>). Ground cover is to be maintained in an attractive manner.
 - iii. Installation of edging material provided no taller than 6 inches and of standard color (brown, green, gray or tan).

- iv. Mulch and bark chips/nuggets may be spread over existing planting areas of property (not lawn) provided that individual pieces do not exceed 2" by 2" and are brown or dark brown in color. Decorative river or landscape rock may be used as ground cover in existing planting areas or as borders around planting areas. Major yard changes such as replacement of lawn with rocks, plants, trees or dry-scape /landscape require prior written approval by Architectural Control Committee.
- v. Ground/Hanging Pots/Edible Garden Plants
 - a. A combined total of no more than six moveable ground pots and hanging pots containing either flowers or plants may be placed at the front of the structure (front porch/entrance area) .
 - b. Edible garden plants including vegetables (tomatoes, corn, squash, and/or peas), berries, herbs and strawberries may be placed in pots, hanging pots or in the ground in the back or side of the property provided these plants are not within 12 feet of a roadway. Other edible garden plants require prior approval by the Architectural Control Committee. Flowers may be placed in ground, moveable or hanging pots at any location in the back or side areas.
- vi. Installation of in-ground irrigation and repairs to the system.
- vii. Tree and plant trimming and removal of dead plants are the responsibility of the owner and should be addressed in a timely manner.

XI. STANDING COMMITTEES

- A. Committees are established for the purpose of assisting the HOA Board in the performance of their duties and obligations to the community. The Board may define or redefine the function of a standing committee's responsibilities to benefit the community.
 - i. Architectural Control Committee: Oversees any issue that deals with the exterior appearance of any structure and landscape in the Community.
 - ii. Enforcement Review Committee: This committee is appointed as needed and is responsible for assisting the Board and the Management Company with Owners' compliance of governing documents and the Administrative Rules and Regulations. The Enforcement Review Committee consists of 2 HOA Board of Directors representatives and 2 community members.

XII. PROCEDURE FOR ENFORCEMENT OF RULES

- A. Procedure
 - i. The following rules of procedure shall be applicable to any one charged with a violation of HOA Administrative Rules and Regulations (ARR's) or the HOA Covenants, Conditions, Restrictions and Easements (CC&R's) in furtherance of CC&R's, Article VIII.
 - ii. The Owner of the affected residence is responsible for payment of the fine even in the event that the offense has been incurred by a resident, previous resident or guest of the home owner's Country Club Village Estates South Village unit.

B. Notice of Violation

- i. The Notice of Violation shall include the following information:
 - a) The Rule or Provision allegedly violated
 - b) The amount of the scheduled fine
 - c) The date the notice is issued
- i. The Notice of Violation shall be issued, by certified mail or personal service, through CPM, to the associated home owner.
- ii. Fines imposed in the Notice of Violation (“Notice”) will be included in the Notice.

If the violation has not been corrected within three (3) days following receipt of the written Notice of Violation, the fine will be assessed each day thereafter, beginning on the fourth day of receiving the stated violation. It is understood that some changes/issues/concerns may take longer than 3 days to resolve. In these cases, the homeowner must negotiate with the HOA Board of Directors through CPM.

- ii. The Notice of Violation shall advise the recipient of the following options:
 - a) The recipient may acknowledge responsibility for the violation and pay the fine to CPM within five (5) business days after receiving the notice.
 - b) The recipient may admit the violation in writing to CPM, cease the violation and request a hearing before the Enforcement Review Panel for the purpose of submitting in writing, or in person, mitigating facts as a basis for requesting a waiver or a reduction in the fine within five (5) business days after receiving the notice.
 - c) The recipient may contest the violation in writing to CPM within ten (10) business days after receiving the notice.
 - i. This written response must state the fact that the recipient disputes responsibility for the violation and requests a hearing with the Enforcement Review Panel. (See D. below)
 - ii. The response must be received by the Property Manager (CPM) before the time set for the appearance, and on, or before, the expiration of ten (10) days after service of the Notice of Violation.
 - iii. If the aforementioned violation has not been abated within three (3) days of the Notice of Violation, the fine begins to accrue on the fourth (4th) day if the violation is upheld by the Enforcement Review Panel.
 - iv. The hearing regarding a contested Notice of Violation will be held before the Enforcement Review Panel for an alleged violation of the AR&R’s or the CC&R’s.
 - v. A notice in writing of the date, time and place of the hearing will be provided to the recipient at least ten (10) days prior to the hearing.

C. Failure to Respond or Appear:

- i. If the recipient fails to respond or appear, in accordance with any of the three options above, the violation shall be deemed admitted and the Enforcement Review Panel shall uphold the fine, which is not subject to appeal. **Correct PP “iii” to PP “ii” below**

- ii. Any vehicle parked on the street, unless specifically authorized through CPM, will receive just one courtesy reminder (via email or phone call) in a calendar year that the violation must be corrected.
 - a) A fine of \$50 will automatically be assessed to the homeowner's account for each overnight parking violation.
 - b) If the vehicle remains more than 24 hours past the courtesy notice of violation, the vehicle will be posted with a towing notice.
 - c) If the vehicle remains more than 24 hours after towing notice, it will be towed on the date posted on the towing notice, at the owner's expense.
 - d) All accumulated fines will be added to the home owner's account.

D. Enforcement Review Panel

- i. Residents may contest a notice of violation by requesting a review through an Enforcement Review Panel, appointed by the Board of Directors, for their first offense and resulting fine. Repeat offenses for the same violations will not be permitted further Enforcement Review Panel consideration.
- ii. The Enforcement Review Panel will take place within five (5) business days after the request is submitted.
- iii. The Enforcement Review Panel shall render a decision within fifteen (15) days after the hearing is concluded.
- iv. The Enforcement Review Panel shall consist of 2 BOD members and 2 homeowners.

E. Notice of Decision/Payment of Fine

- i. Following any requested hearing, the Enforcement Review Panel shall render a decision within three (3) days of the hearing and the person charged shall receive written notice of the decision.
- ii. The person charged shall pay any fine imposed within fifteen (15) days of the decision.
- iii. The Enforcement Review Panel may find the accused party responsible and subject to penalty, not responsible with all charges dropped, or responsible with mitigating circumstances and all, or part, of a penalty waived.

XIII. DISPUTE RESOLUTION

- A. Dispute resolution respecting any of these AR&R's shall be in accordance with the provisions of the CC&R's.

XIV. SCHEDULE OF FINES FOR VIOLATIONS OF CCVE SV HOA AR&R's AND CC&R's

CCVE SV HOA Administrative Rules and Regulations provide for levying a fine for violation, which is owed upon receipt of the Notice of Violation and opportunity to be heard. Violations must be

corrected within three (3) days. If the violation has not been corrected within the designated time period, the fine will be assessed each day thereafter, beginning on the fourth (4th) day of receiving the stated violation. Repeat violations of the same rule will result in additional fines and revocation of access to an Enforcement Review Panel.

A. AR&Rs Article V. Speed Limits

- i. Violations shall result in a fine of fifty (\$50) dollars per incident.

B. AR&Rs Article VII. Parking

- i. Violations of any of these rules shall result in a fine of fifty dollars (\$50) payable by the unit home owner.

C. AR&Rs Article VIII. Pets and Animals

- i. Violations of any of these rules shall result in a fine of fifty dollars (\$50) payable by the home owner. Failure to pick up animal waste on any property within the community is subject to a fine of \$50 per incident.

D. AR&Rs Article IX. Architecture Control and Violations

- i. If the Architectural Control Committee determines a violation to the requirements listed in the CC&R's or this document, they will notify CPM, who will then notify the home owner, by mail of the need to correct the violation. Associated fines will continue to accrue until the homeowner complies. \$50 per day fine after failure to correct violation.

E. AR&R's Article X. Landscape Violations

- i. If the Architectural Control Committee determines a violation of CC&R's or AR&R's, they will notify CPM, who will notify the owner by mail of the need to correct the violation and a timeframe in which to do so. Landscaping violations are subject to a fine of fifty dollars (\$50) per day.
- ii. All fines will continue to accrue until the homeowner complies.
- iii. If the Homeowner does not address a Landscape Violation which is a fire hazard, the Architectural Review Committee, through CPM, will arrange removal of the hazard. All expenses related to removal of the fire hazard will be charged to the homeowner

- F. All other CC&R violations not specifically listed herein are subject to a \$25.00/day fine after notice and failure to correct.

Seller's Disclosures

(Coming Soon)