

DECLARATION OF
COVENANTS AND RESTRICTIONS

THIS DECLARATION, made this 23rd day of November, 1994, by
KENNETH W. CEARLEY and DORIS E. CEARLEY, hereinafter called "grantor",

WHEREAS, grantor is the owner of real property more particularly
described as Parcel No. 2 of Partition Plat recorded October 13, 1992
as Partition Plat No. P-108-1992 of "Record of Partition Plats" in
Jackson County, Oregon and filed as No. 13185 in the Office of the
Jackson County Surveyor all located in Jackson County, Oregon, and is
desirous of subjecting said real property to the conditions,
covenants, restrictions and reservations hereinafter set forth, which
shall run with all of the land and shall inure to the benefit of and
pass with said property, and burden the same and each and every
parcel thereof, and shall apply to and bind the grantor and all future
owners of said real property;

NOW THEREFORE, the grantor hereby declares that the real property
described above is and shall be held, transferred, sold, conveyed and
occupied subject to the conditions, covenants, restrictions and
reservations hereinafter set forth.

ARTICLE I
DEFINITION OF TERMS

A. "Building site" shall mean any lot, or portion thereof, or
two or more contiguous lots or portions thereof, or a parcel of land
under common ownership upon which a commercial or light industrial
building or buildings and appurtenant structures may be erected in
conformance with the requirements of these covenants.

B. "Architectural committee" shall mean:

1. Grantor as long as he owns of record any interest in
any land described above, or

2. Grantor's designees so long as they are owners of
record of any interest in any land described above and have been
designated of record by grantor as members of the architectural
committee, or

3. Grantor and grantor's designees, or

4. Any association (whether or not incorporated) which is
organized by a majority of the owners of record of each City
approved parcel on the land described above provided that grantor
or grantor's designees, or both, have designated said association
of record as the architectural committee or at such time as
grantor and his designees no longer own of record any land

described above.

C. "City" shall mean the City of Medford, Oregon, its successors and assigns.

D. "Improvements" shall mean and include any building allowed by applicable zoning, outbuildings appurtenant thereto, parking areas, loading areas, fences, masonry walls, hedges, lawns, mass plantings, landscaping, signs and any structures of any type or kind located above ground.

E. "Front property line" shall mean the property line separating a lot from the street. In case of a corner lot, the shortest property line along a street.

F. "Rear property line" shall mean a property line which is opposite and most distant from the front lot line.

G. "Side property line" shall mean any lot line not a front lot line or rear lot line.

ARTICLE II GENERAL PURPOSES OF CONDITIONS

The real property described above is subjected to the conditions, covenants, restrictions and reservations hereby declared to insure proper use and appropriate development and improvement of each building site thereof; to protect the owners of building sites against such improper use of surrounding building sites as will depreciate the value of their property; to guard against the erection thereon of structures built of improper or unsuitable materials; to insure adequate and reasonable development of said property; to encourage the erection of attractive improvements thereon, with appropriate locations thereof on building sites; to provide for attractive landscaping and architectural conformity to establish a park-like office/industrial center; to secure and maintain proper setbacks from streets; and in general to provide adequately for improvement of said property.

ARTICLE III RESTRICTIONS

A. NUISANCES

No noxious or offensive trade activity shall be carried on, nor shall anything be done thereon which may be or become an annoyance or nuisance to grantor and the owners of subject property, their successors or assigns, upon the land hereby restricted by reason of unsightliness or the excessive emission of odors, dust, fumes, smoke, noise, heat, light or hazardous wastes.

B. EXCEPTED USES

Without otherwise limiting the provisions of the above paragraph of this Article III, or any of the other terms and conditions of these restrictions, the buildings or premises, except as otherwise provided in these restrictive covenants, may be used for those purposes described in the I-L zoning district of the city of Medford, as amended from time-to-time.

C. ARCHITECTURAL APPROVAL

No improvements, as herein defined, shall be erected, placed or built until the building and other improvement plans (including landscape plans), specifications, and plot showing the location of such improvements on the particular building site have been submitted to and approved in writing as to conformity and harmony of external design with existing structures in the development, and as to location of the improvements on the building site, giving due regard to the anticipated use thereof as same may affect adjoining structures, uses and operations and as to location of the improvements with respect to topography, grade and finished ground elevations by the architectural committee; provided, however, that it and its successors and assigns shall not be liable in damages to anyone so submitting plans for approval or to any mistake in judgment, negligence or nonfeasance of itself, its agents or employees, arising out of or in connection with the approval or disapproval, or failure to approve any such plans, likewise anyone so submitting plans agrees that he/she or it will not bring any action or suit to recover for any such damages against the architectural committee or its successors and assigns. In the event the architectural committee, or its successors and assigns, fails to approve or disapprove such design or location within thirty (30) days after said plans and specifications have been submitted to it, this covenant will be deemed to have been fully complied with.

Plans for any exterior alterations or additions to improvements must likewise be approved by the architectural committee.

D. CONSTRUCTION MATERIALS AND SCREENED MECHANICAL

All exterior walls of buildings shall be constructed of quality materials, using tilt-up concrete, masonry, high quality wood, or comparable materials approved by the architectural committee. Under no conditions shall metal be used exclusively on the exterior walls of buildings unless it is in conjunction with other materials and approved in writing by the architectural committee. All mechanical equipment on the exterior of buildings shall be screened from public view when viewing equipment from street level. The location, design and height of any antenna or transmitting or receiving device must be approved in writing by the architectural committee.

E. SETBACKS AND DUST FREE AREAS

No structures or buildings shall be located closer than twenty (20) feet to the front property line nor closer than twenty (20) feet to the side property line when the side property line faces a street.

Except as hereinafter provided, within the required setback area from a street there shall be maintained on each site only paved walks, paved driveways and landscaping; and the surface of so much of the remainder of each site as is not covered by buildings or by landscaping shall be treated so as to be dust free except for unimproved areas which must be approved in writing by the architectural committee. Unimproved areas shall not be used for parking, driveways, storage, display of merchandise or any other use until properly improved pursuant to these conditions covenants, restrictions and reservations. At least one-third of the surface of the required setback area from streets shall be landscaped.

F. LANDSCAPING AND PARKING

The setback is not to be used for storage areas; however, off-street parking areas, and areas for the display of merchandise may be permitted if approved in writing by the architectural committee. If part of the setback is approved for parking or display of merchandise, an extra landscaped setback adjacent thereto and equivalent in size to that part of the twenty (20) foot setback which has been used for parking or display of merchandise shall be required. In no event shall parking or display of merchandise areas begin closer than ten (10) feet from the property line adjacent to a street.

Purchasers of the building sites on the subject property contiguous to Biddle Road or Airport Road, or any other dedicated street shall be responsible for the development and maintenance of landscaping between the property line and improved public road.

The materials used for all sidewalks, parking areas, driveways, merchandise display areas, storage areas and dust free areas shall be approved in writing by the architectural committee.

G. LOADING DOCKS AND DOORS

No loading dock shall be located closer than forty (40) feet from a street. On lots adjacent to either Biddle Road or Airport Road or both no bays or loading doors shall face those streets.

Bays and loading doors may face any interior street so long as adequate landscape screening is provided and is approved by the architectural committee. There shall be maintained on each site facilities for parking, loading and unloading, sufficient to serve the business conducted thereon, including necessary customer parking and employee parking, without using adjacent streets therefor, and no use shall be made of any site which will attract parking in excess of the

parking spaces available thereon.

H. MAINTENANCE

The exterior of all structures, all walks and driveways on each site shall be maintained by the owner in good order, repair and condition; and all exterior painted surfaces shall be repainted as required to maintain the exterior in a first class condition.

Any landscaped areas shall be properly maintained by the owner in a well-kept condition. Parking and display of merchandise areas shall likewise be maintained in well-kept condition. Dust free areas are to be kept clean of vegetative materials. Unimproved areas shall be kept mowed and in a clean and neat condition.

I. UTILITIES

All lines for power and other utilities shall be located underground. Fuel and gasoline storage tanks of any establishment shall be permitted only if in full compliance with rules and regulations of any governmental agency or agencies having jurisdiction over such matters and at a depth and in a location as approved by such agencies. Bulk storage of liquids and gases, on the outside of the building, shall be permitted only upon written consent of the City and in locations as approved by the City in writing and, if such be underground, at a depth as approved by the City in writing, and subject to compliance with rules and regulations of any governmental agency or agencies having jurisdiction over such matters.

J. STORAGE AREAS

Outside storage areas must be located to the rear or side of the building and must be screened by an approved screen type fence or landscape material. No outside storage shall be stacked above the height of the required fence or landscape material.

K. DISPLAY OF MERCHANDISE

Outside display of merchandise will be permitted if maintained in a neat and orderly manner.

L. SIGNS

The only signs permitted, other than directional signs, shall be those identifying the name, business and products of the person or firm occupying the premises. Such signs shall not exceed the height of the roofline of the building. However, sign(s) identifying and promoting the development may be constructed by the grantor, his successors and assigns.

M. OIL OR GAS DRILLING AND MINING RESTRICTED

No oil or gas drilling, oil or gas development operations, refining, mining operations of any kind, or quarrying shall be permitted upon or in any of the building sites subject to these covenants.

ARTICLE IV

GENERAL PROVISIONS

A. BINDING EFFECT

Each of the conditions, covenants, restrictions and reservations set forth herein shall run with all of the land and shall inure to the benefit of and pass with said property and burden the same and each and every parcel thereof and shall apply to and bind the grantor and all future owners of said real property.

B. AMENDMENT

The conditions, covenants, restrictions and reservations set forth herein may be amended by the owners of record of a majority, in area of land, of the subject property. No such amendment shall be of any force and effect until it has been placed of record.

C. TERM

All conditions, covenants, restrictions and reservations set forth herein shall run with the land and shall be binding on grantor and all persons claiming under him until released of record by the owners of record of a majority, in area of land, of the subject property.

D. SEVERABILITY

Invalidation of any of these covenants shall in no wise affect any of the other provisions which shall remain in full force and effect.

E. ENFORCEMENT

The foregoing conditions, covenants, and restrictions shall bind and inure to the benefit of and be enforceable by suit for injunction or for damages by grantor or by the owner or owners of record of any of the subject property, their legal representatives, heirs, successors or assigns and the failure to enforce any of such conditions, covenants or restrictions shall in no event be deemed a waiver of the right to do so thereafter.

F. ATTORNEY'S FEES

Should suit or action be instituted to enforce any of the foregoing conditions, covenants or restrictions after written demand for the discontinuance of violation thereof and any failure to do so, then whether said suit be reduced to decree or not the party seeking to enforce or to restrain any such violation shall be entitled to have and recover from such defendant or defendants in addition to the costs and disbursements allowed by law, such sum as the court may adjudge reasonable as attorney's fees in such suit or action or appeal therefrom.

G. MISCELLANEOUS

1. The violations of these conditions, covenants, and restrictions shall not defeat nor render invalid the lien of any mortgage or deed of trust made in good faith and for value.

2. Decisions of the architectural committee shall be made by a majority of its members.

DATED this 23rd day of November, 1994.

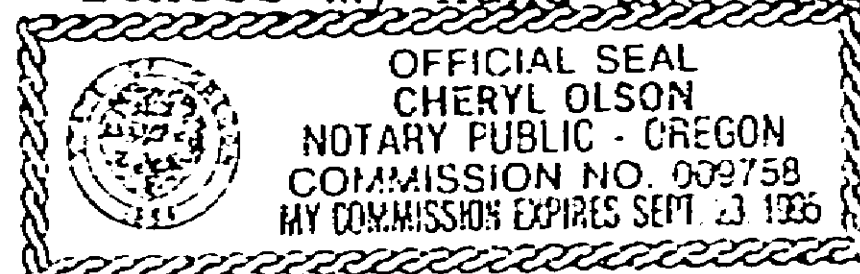

DORIS E. CEARLEY


KENNETH W. CEARLEY

STATE OF OREGON)
) ss
County of Jackson)

On this 23rd day of November, 1994, personally appeared Doris E. Cearley, the above named and acknowledged the foregoing instrument to be her voluntary act and deed.

Witness my hand and official seal.




Notary Public for Oregon
My Commission Expires 9/23/95

STATE OF OREGON)
) ss
County of Jackson)

On this 23rd day of November, 1994, personally appeared Kenneth W. Cearley, the above named and acknowledged the foregoing instrument to be

94-42003

his voluntary act and deed.

Witness my hand and official seal.



Cheryl Olson
Notary Public for Oregon
My Commission Expires 9/23/95

Jackson County, Oregon
Recorded
OFFICIAL RECORDS
2:30 NOV 23 1994 P.M.
KATHLEEN S. BECKETT
CLERK and RECORDER
Kathleen S. Beckett

DECLARATION - 8

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR NAVIGATORS LANDING
(NAVIGATORS LANDING OWNERS ASSOCIATION)**

THIS DECLARATION is made this 6th day of May, 2002, by NAVIGATORS LANDING, LLC, an Oregon Limited Liability Company.

Recitals:

A. Declarant owns certain real property in Jackson County, Oregon more particularly described in the records of the Jackson County Surveyor as Navigators Landing Subdivision.

B. Declarant intends to create Navigators Landing as a planned community which will provide an attractive place to work. Declarant presently plans to create within Navigators Landing a number of business office and commercial or other service areas, all of which will have restrictions as to the use of the property.

C. Declarant intends to organize and administer Navigators Landing prior to its completion, but expects the Owners to accept the responsibility for community administration by the time Navigators Landing is complete. Funds for the maintenance, repair, and improvement of the Open Space and Common Areas will be provided through assessments against the Owners.

D. By adoption of the covenants, conditions, and restrictions set forth in this Declaration, Declarant is not committing itself to take any action other than as expressly provided herein. Anyone acquiring one or more Lots will have the advantage of any further development, but shall not have any legal right to insist that there be development except as expressly provided herein.

NOW, THEREFORE, Declarant subjects the Property, together with any and all property which may be added to the Property pursuant to the provisions of this Declaration, to the covenants, conditions, and restrictions set forth below.

SECTION 1. INTRODUCTION

1.1 **General Declaration.** The covenants, conditions, and restrictions set forth in this Declaration shall run with and bind the Property, each Tract, Lot, and other division, if any, of the Property, the Owners, the Occupants, and all other Persons acquiring any interest in the Property or any portion thereof, and the heirs, successors, and assigns of the Owners, the Occupants, and such other Persons. These covenants, conditions, and restrictions shall inure to the

benefit of and be burdens upon Declarant and upon all Owners, Occupants, future Owners, and future Occupants.

1.2 **Addition of Other Property.** At any time and from time to time prior to the Turnover Date, Declarant may add to the Property all or a portion of any real property adjacent to the Property. Upon recordation of a supplemental declaration identifying any such adjacent property in the Jackson County Records, all provisions of this Declaration, as modified by such supplemental declaration, shall apply to such adjacent property in the same manner as if it were originally covered by this Declaration as part of the Property. Declarant shall include in any such supplemental declaration any modifications to this Declaration which Declarant deems appropriate.

SECTION 2. DEFINED TERMS

Throughout this Declaration, the following terms, when capitalized, shall have the following meanings:

2.1 **"Architectural Control Committee"** means the committee formed pursuant to Section 5 to review and approve or disapprove plans and specifications for the design and construction of Improvements within Navigators Landing and to undertake such other tasks as are specified in this Declaration.

2.2 **"Association"** means the Navigators Landing Owners Association, formed pursuant to Section 3.1.

2.3 **"Board"** means the Board of Directors of the Association, formed pursuant to Section 3.4.

2.4 **"Commercial Director"** means any of the Directors selected or elected by the Owners of Commercial Lots, as provided in Section 3.4.3.

2.5 **"Commercial Lot"** means any Lot which is not a Single-Family Lot, a Multi-Family Lot, an Improved Declarant Lot, or an Unimproved Declarant Lot.

2.6 **"Common Areas"** means those parcels or portions of parcels, if any, included within the Property which are, from time to time, designated by Declarant (prior to the Turnover Date) or by the Board (after the Turnover Date) as common areas of Navigators Landing, such as landscaped parkstrips, the Lone Pine Creek riparian corridor, entry monuments, signs and structures and median strips; such parcels may be conveyed to the Association, dedicated to the public, or owned by Persons other than Declarant or the Association and subject to easements in favor of the Association.

2.7 **"Declarant"** means Navigators Landing, LLC and any Person succeeding to the responsibility of Declarant pursuant to a designation by Navigators Landing, LLC or by any successor Declarant of such Person as a successor Declarant in a supplemental declaration recorded in the Jackson County Records.

2.8 **“Declaration”** means this Amended Declaration of Covenants, Conditions, and Restrictions for Navigators Landing (Navigators Landing Owners Association), as it may be further amended from time to time.

2.9 **“Developer”** means any Person engaged in the development of any Lot for the purpose of selling or leasing the Improvements ultimately constructed on such Lot.

2.10 **“Director”** means a member of the Board, selected or elected in accordance with Section 3.

2.11 **“Improvement”** means any improvement now or hereafter placed or constructed in, under, or upon the Property, including without limitation any building, road, driveway, parking area, fence, screening wall or barrier, retaining wall, stairs, deck, utility distribution facility, landscaping, and sign.

2.12 **“Improved Declarant Lot”** means any Lot of which Declarant is the Owner, which has access to a public street, to which sanitary and storm sewers, water, and power have been extended.

2.13 **“Lot”** means any parcel of land designated on the Plat as a Lot.

2.14 **“Navigators Landing”** means the Property as developed substantially in accordance with the Plat, as the same may be modified from time to time.

2.15 **“Occupant”** means the Person in lawful possession of all or any portion of a Lot.

2.16 **“Open Space”** means such portions of the Property, if any, as may be designated as Open Space on the Plat, the Final PUD Plan approved by the City of Medford, by Declarant (prior to the Turnover Date), or by the Board (after the Turnover Date).

2.17 **“Owner”** means the record owner of fee simple title to any Lot, unless such Lot is being sold pursuant to a land sale contract, in which case “Owner” means the contract vendee of such Lot.

2.18 **“Person”** means any individual, association, company, corporation, partnership, or other legal entity.

2.19 **“Plat”** means the final plat of Navigators Landing as recorded in the Jackson County Records and any amendments thereto.

2.20 **“President”** means the President of the Association, selected in accordance with Section 3.14.

2.21 **"Property"** means the real property in Jackson County, Oregon legally described as Navigators Landing Subdivision, and any property added to the Property pursuant to Section 1.2.

2.22 **"Secretary"** means the Secretary of the Association, selected in accordance with Section 3.14.

2.23 **"True Cash Value"** means, with respect to any Lot, the true cash value at which such Lot is assessed by Jackson County for purposes of ad valorem real property taxation or, if no such True Cash Value is established by the Jackson County Assessor, True Cash Value shall mean "Assessed Value."

2.24 **"Turnover Date"** means the earlier of (i) the date on which Declarant first has title to only one Lot within the Property, or (ii) the date on which Declarant elects, in its sole discretion, to relinquish control of the Association, as evidenced by a supplemental declaration recorded in the Jackson County Records.

2.25 **"Turnover Meeting"** means the meeting of Declarant and the Board called for the purpose of passing control of the Association from Declarant to the Owners, which meeting shall be held pursuant to Section 3.7.1.

2.41 **"Unimproved Declarant Lot"** means any Lot of which Declarant is the Owner and on which no buildings have been or are being constructed, but which is not an Improved Declarant Lot.

SECTION 3. NAVIGATORS LANDING OWNERS ASSOCIATION

3.1 **Formation and Authority.** The Association shall be formed by Declarant as an Oregon nonprofit corporation within 180 days after the date this Declaration is recorded and shall be known as the Navigators Landing Owners Association. Nothing in this Declaration shall be construed to prohibit or restrict the formation of subassociations within Navigators Landing, including without limitation Condominium associations and associations of Owners of Commercial Lots.

3.2 **Membership.** Each Owner, by virtue of being an Owner and so long as such Owner continues in that capacity, shall be a member of the Association. Each membership in the Association shall be appurtenant to the Lot or other portion of the Property owned by an Owner and shall not be transferred in any manner whatsoever except upon a transfer of title to such Lot or other portion of the Property and then only to the transferee of such title.

3.3 **Duties and Powers of the Association.** The Association shall have all requisite power, duty, and authority to perform its obligations under this Declaration, including without limitation the power, duty and authority to enforce the provisions of this Declaration and to acquire and pay for, out of the common fund provided by assessments pursuant to Section 4, all goods and services necessary or appropriate for the proper functioning of the Association in accordance with this Declaration. Without limiting the generality of the foregoing or the other

provisions of this Declaration, the Association shall have the power, duty, and authority, subject to the other provisions of this Declaration, to undertake the following actions:

3.3.1 Determine the amounts necessary or appropriate for the performance by the Association of its powers and duties under this Declaration.

3.3.2 Impose and collect annual and special assessments from the Owners.

3.3.3 Maintain bank accounts on behalf of the Association and designate the signatories for those accounts.

3.3.4 File all required income tax returns.

3.3.5 Enforce by legal means the provisions of this Declaration.

3.3.6 Maintain and repair the Public Open Space, the Other Common Areas, and the Improvements thereon and establish one or more reserve funds for such purposes.

3.3.7 Promulgate, modify, and rescind rules and regulations governing the use of the Common Areas and Open Space, and all Improvements on the foregoing, as well as the Property generally.

3.3.8 Obtain such policies of insurance as the Board may from time to time deem appropriate for the protection of the Association, the Open Space, Common Areas and the Improvements thereon, and as may be authorized pursuant to Section 3.13.

3.3.9 Compensate the President, the Secretary, and members of the Architectural Control Committee, if any compensation is established pursuant to Section 3.14.6 or 5.1.

3.3.10 Contract for such services (including without limitation legal and accounting services) as may be necessary or appropriate to manage the affairs of Navigators Landing, and the Association properly and in accordance with this Declaration, whether the personnel performing such services are employed directly by the Association or by a manager or management firm or agent retained by the Association.

3.3.11 Appoint such committees as the Board may determine from time to time to be appropriate to assist in the conduct of the affairs of the Association and delegate to any such committee such authority as the Board may deem appropriate, subject in all cases to the provisions of the Declaration. Notwithstanding the foregoing provisions of this Section 3.3.11, the Architectural Control Committee shall in all events be formed as provided in and shall have the authority granted by Section 5 and other applicable provisions of this Declaration.

3.4 Board of Directors

3.4.1 Generally. The Association shall act through the Board. Prior to the Turnover Meeting, Declarant shall select all Directors. During the period when Declarant is selecting the Directors, Declarant may also determine the number of Directors, which may be different than the number set forth in Section 3.4.2. From and after the Turnover Meeting, the number of Directors shall be as set forth in Section 3.4.2, and the Owners shall select or elect the Directors in the manner provided in Sections 3.4.3 through 3.4.5, inclusive.

3.4.2 Number and Classification of Directors. From and after the Turnover Meeting, the Board shall be comprised of five Directors.

3.4.3 Election of Directors. Directors shall be elected by majority vote of the Owners of the Lots in Navigators Landing, with each such Owner having one vote for each Lot owned. If there is more than one Owner of any Lot, such Owners shall together be considered a single Owner with respect to such Lot for purposes of this Section 3.4.3. The election of Directors pursuant to this Section 3.4.3 shall take place at a meeting of the Owners of the Lots conducted pursuant to Section 3.4.4.

3.4.6 Meetings of Owners. Any meeting of Owners for the purpose of electing Directors pursuant to this Section 3.4 shall be conducted in accordance with the following procedures:

(a) The first such meeting shall be held at least 30 days prior to the Turnover Meeting, on a date selected by the Secretary. Subsequent meetings shall be held at least 30 days prior to the expiration of the term of any Director or, in the case of a vacancy pursuant to Section 3.6, within 30 days after such vacancy occurs.

(b) Any such meeting shall be held at a place within Jackson County, Oregon designated by the Secretary. The Secretary shall give written notice of any such meeting to each Owner entitled to vote at the meeting at least ten but not more than 30 days prior to the date of the meeting. The notice shall state the purpose, time, and place of the meeting. The Secretary shall be required to notify an Owner of a meeting only if such Owner has previously given written notice to the Secretary setting forth such Owners name and address. Notice of any meeting may be waived by any Owner at any time. No Owner who is present at a meeting may object to the adequacy or timeliness of the notice given.

(c) Any Owner may give a proxy to any Person, so long as the proxy is in writing, signed by such Owner, and filed with the Secretary. A proxy shall expire on the earlier of (i) eleven months after the date of the proxy; or (ii) the date of sale of the Owners Lot by its Owner.

3.5 Terms of Directors

3.5.1 Terms. Subject to the provisions of Section 3.7.1, Directors selected by Declarant pursuant to Section 3.4.1 shall serve at the pleasure of Declarant. The first Directors

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selected or elected by the Owners pursuant to Sections 3.4.3 through 3.4.5, inclusive, shall serve three-year terms. Any Director may serve more than one term.

3.6 Vacancies. In the event a Director dies, resigns, or, ceases to be an Owner, the resulting vacancy on the Board shall be filled by selection or vote of the Owner(s) authorized to select or vote for such Director pursuant to Section 3.4.3. Any Director so selected or elected shall serve the remainder of the replaced Directors term.

3.7 Meetings of the Board

3.7.1 Turnover Meeting. The Turnover Meeting shall be called by Declarant and held within 90 days after the Turnover Date. Declarant shall give written notice of the time and place of the Turnover Meeting to each Owner who has previously given Declarant written notice setting forth such Owners name and address. Declarants notice shall be given at least 45 but not more than 60 days prior to the date of the Turnover Meeting. At the Turnover Meeting, the following shall occur:

(a) The Directors selected by Declarant, the President, and the Secretary shall each resign. The Directors selected or elected by the Owners pursuant to Section 3.4 shall conduct their first meeting as the Board;

(b) The new Board shall elect a President and a Secretary; and

(c) Declarant shall deliver to the new Board all of the Associations property in Declarants possession, including without limitation all books and records, funds, tangible personal property, insurance policies, and contracts to which the Association is a party.

3.7.2 Annual Meetings. The Board shall meet annually, within 90 days after the end of each calendar year. At each annual meeting, the Secretary shall present to the Board a report on the financial condition of the Association, including a report of receipts and disbursements for the preceding calendar year and the estimated receipts and expenses for the coming year.

3.7.3 Special Meetings. Special meetings may be called at any time by three Directors. Such meetings shall be scheduled by the Secretary within 30 days after the Secretary's receipt of written requests signed by three or more Directors; provided that if the purpose of a special meeting is to elect a successor Secretary or to consider removal of the Secretary, the meeting may be scheduled by the President or, if the meeting is also for the purpose of electing a successor President or considering the removal of the President, by any other Director.

3.7.4 Place of Meetings. Meetings of the Board shall be held at such place as may be designated from time to time by the Board.

3.7.5 Notice. The Secretary shall give written notice to each Director of each Board meeting at least ten but not more than 30 days prior to the date set for such meeting,

stating the purpose, time, and place of the meeting. Notice shall be sent to the address of each Director as listed on the books of the Association, or to such other address as any Director may designate by written notice to the Secretary. Notice of any meeting may be waived by any Director at any time. No Director who is present at a meeting may object to the adequacy or timeliness of the notice given.

3.8 Quorum. The presence, in person or by proxy, of a majority of the Directors shall constitute a quorum for voting at a Board meeting. When voting is by mail pursuant to Section 3.11, a quorum shall be constituted if the number of votes cast equals at least 51 percent of the total votes entitled to be cast. The Board shall have the power to adjourn a meeting even if less than a quorum is present.

3.9 Proxies. A Director may vote in person or by proxy. A proxy may be given to any other Director, so long as the proxy is in writing, signed by the Director giving the proxy, and filed with the Secretary. A proxy shall expire on the earlier of (i) the end of the Directors term; or (ii) eleven months after the date of the proxy.

3.10 Voting by the Board. Each Director shall have one vote. So long as a quorum is constituted, the vote of Directors together holding a majority of the total votes cast, whether the Directors voting are present in person or by proxy, and whether the vote takes place at a meeting or by mail, shall be a binding vote of the Board for all purposes, unless a greater percentage is required by law or this Declaration.

3.11 Voting by Mail. Voting of the Directors may be by mail. Voting by mail shall include electronic mail (e-mail). In any case in which voting by mail is necessary or desirable, the Secretary shall give written notice to all Directors, which notice shall (i) include a written resolution setting forth the proposed action, (ii) state that the Directors are entitled to vote by mail for or against such resolution, and (iii) specify a date not less than 25 days after the effective date of such notice by which all votes must be received at the principal office of the Association. Votes received after the date specified shall not be effective.

3.12 Compensation of Directors. No Director shall receive compensation from the Association for serving on the Board.

3.13 Insurance. The Board may purchase and maintain insurance on behalf of any Director against any liability incurred by such Director in such capacity, if such insurance is available at a cost and on terms which the Board determines to be reasonable.

3.14 Officers of the Association

3.14.1 Designation. The officers of the Association shall be the President and the Secretary, both of whom shall be elected by the Board. The same person shall not concurrently hold the offices of President and Secretary. The Board may designate such additional officers as it deems appropriate.

3.14.2 **Election.** The officers of the Association shall be elected annually by the Board and shall hold office at the pleasure of the Board and until their successors are elected. If any office becomes vacant, the Board shall elect a successor to fill the unexpired term.

3.14.3 **Removal.** The Board may remove any officer, at any time, with or without cause.

3.14.4 **President.** The President shall be a Director and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board and, unless otherwise provided in this Declaration, shall have all of the general powers and duties normally incident to the office of the chief executive officer of an association.

3.14.5 **Secretary.** The Secretary shall not be required to be a Director or an Owner. The Secretary shall keep the minutes of all proceedings of the Board and all other Association records and shall attend to the giving of all notices pursuant to this Declaration or required by law. The Secretary shall be responsible for the collection, deposit, and disbursement of Association funds and shall keep full and accurate financial records and books of account showing all receipts and disbursements of the Association. The Secretary shall perform all other duties incident to the office of secretary of an association or as may be directed by the Board. The Secretary shall perform all of the foregoing duties at the expense of the Association.

3.14.6 **Compensation of Officers.** Other than reimbursement for out-of-pocket expenses incurred on behalf of the Association, neither the President, the Secretary, nor any other officer of the Association shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by the Board.

3.15 **Execution of Instruments.** All agreements, contracts, deeds, leases, and other instruments of the Association shall be executed by such individual(s) as may be designated from time to time by the Board.

3.16 **Indemnification.** Neither a Director nor an officer of the Association shall be liable to the Association or the Owners for any mistake of judgment, negligence, or otherwise, except for such Directors or officers willful misconduct or bad faith. Each Director and officer shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys fees, incurred by or imposed upon such Director or officer in such capacity; provided, however, there shall be no indemnity if such Director or officer is adjudged guilty of willful misconduct or bad faith in connection with the matter as to which indemnification is sought.

SECTION 4. ASSESSMENTS

4.1 **Annual Assessments.** Subject to the requirements set forth in this Section 4, the Association shall have the authority to levy annual assessments to pay all expenses associated with the Associations performance of its powers, duties, and responsibilities under this Declaration, as well as to pay all property taxes, lighting, insurance, maintenance, and other expenses incurred with respect to the Common Areas and the Improvements thereon. The Association shall bill each Owner for such Owners share of the assessments (determined in accordance with this Section 4) on

an annual, quarterly, or monthly basis, as the Board may determine. Each Owner shall pay any such assessment within 30 days after the date of billing.

4.2 Allocation to Commercial Lots. The annual assessment levied pursuant to Section 4.1 with respect to any calendar year shall be allocated among them in proportion to their respective True Cash Values as of the first day of such year.

4.3 Special Assessments. In addition to annual assessments pursuant to Section 4.1, the Association may levy special assessments to pay the cost of any construction, reconstruction, repair, or replacement of any Improvements in or to the Public Open Space or the Other Common Areas or for any other purpose deemed appropriate by the Board; provided, however, that any special assessment shall be levied only upon the affirmative vote of at least 75 percent of the Directors. Special assessments shall be billed to the Owners at such time as the Board may determine. Special assessments shall be allocated among the Lots in the manner provided with respect to annual assessments in Sections 4.2.

4.4 Records of Assessments. The Association shall maintain records of assessments, of any other income received by the Association, and of all disbursements made. The Board may at any time and from time to time require that an audit of the Associations records be performed at the expense of the Association. The results of any such audit may be presented at any meeting of the Board. Any Director may, at the Associations expense and at any reasonable time, copy any Association records reasonably necessary to the performance of such Directors duties. Any Owner shall have the right to inspect Association records at any reasonable time, after reasonable notice to the Secretary. Any Owner may copy Association records at such Owners expense.

4.5 Enforcement. In the event that any assessment, or any expense due pursuant to this Declaration, is not paid within 30 days after the date of billing, the unpaid amount shall thereafter bear interest from the date first due until paid in full at a rate per annum equal to six percentage points in excess of the announced prime rate of U.S. National Bank of Oregon in effect on the date payment was first due. In addition to all other rights and remedies available by law or provided herein, the Association shall also be entitled (i) to impose a late charge with respect to any such unpaid amount equal to 10 percent thereof, to reimburse the Association for its administrative and other expenses incurred as a result of the Owners failure to pay the assessment or expense when due; and (ii) upon 15 days prior written notice to the Owner owing such assessment or expense, to impose a lien against such Owners Lot in the amount of the assessment or expense, plus collection costs (including reasonable attorneys fees), plus interest and late charges as provided in this Section 4.5. Any such lien shall also secure any additional amounts thereafter coming due from the Owner of the Lot in question. Any such lien shall bind and run with the Lot in question until paid in full. The Association may initiate an action to foreclose any such lien in any manner provided by law. In any action to foreclose any such lien, any judgment rendered against the Owner of the Lot in question and in favor of the Association shall include such amount as the court may adjudge reasonable as attorneys fees and costs and expenses reasonably incurred in the preparation for and the prosecution of such action, at trial and on any appeal, in addition to all other amounts provided by law.

4.6 Personal Obligation. Each assessment or charge levied pursuant to the provisions of this Declaration shall be a separate and personal obligation of the Owner of the Lot against which the assessment or charge is levied. The sale, transfer, or conveyance of a Lot shall neither release nor discharge the Owner thereof from such personal liability, nor shall such a sale, transfer, or conveyance extinguish any lien placed on such Lot.

SECTION 5. ARCHITECTURAL AND DESIGN CONTROL

5.1 Establishment of the Architectural Control Committee. On or prior to the Turnover Date, the Architectural Control Committee shall be established to review and approve or disapprove plans, specifications, design, construction, and alterations of all Improvements built within Navigators Landing, pursuant to Sections 5.2 and 5.3. The Architectural Control Committee shall consist of three or five members (as determined by the Board from time to time) appointed, removed, and replaced by the Board. The members of the Architectural Control Committee shall be compensated by the Association in such amount, if any, as may be determined from time to time by the Board. Until such time as the Architectural Control Committee is established, Declarant shall have full power and authority to act as the Architectural Control Committee in accordance with the provisions of this Section 5.

5.2 Architectural and Design Review

5.2.1 Generally. No Improvement of any kind shall be commenced, erected, placed, or altered on any portion of the Property unless such Improvement is in conformance with this Section 5.2 and until plans and specifications showing the nature, kind, shape, height, material, color, and location of such Improvement are submitted to and approved by the Architectural Control Committee pursuant to the provisions of Section 5.3. All such Improvements shall be erected and altered in conformance with all applicable governmental laws, ordinances, rules, and regulations and with the requirements set forth in this Section 5.2. To the extent applicable governmental laws, ordinances, rules, and regulations are in conflict with such requirements, the more restrictive standards shall control.

5.2.2 Design Guidelines. The Architectural Control Committee shall have the authority to promulgate and issue, and thereafter to amend from time to time, design guidelines supplementing, interpreting, and not inconsistent with those set forth in this Section 5.2. Such guidelines shall be supplied in writing to all Owners, shall be fully binding upon all Owners as if set forth in this Declaration, and shall be applied by the Architectural Control Committee in reviewing and approving or denying proposed Improvements. Without limiting the generality of the foregoing, the Architectural Control Committee shall have the authority to include in any such guidelines, among such other provisions as the Architectural Control Committee may deem appropriate, height restrictions with respect to Improvements to be constructed on the Property or any portion thereof, requirements and restrictions with respect to exterior lighting in addition to those set forth in this Declaration, requirements regarding parking and landscaping in addition to those set forth in this Declaration, signage restrictions, and requirements to be met in connection with construction activities on the Property or any portion thereof. Any requirements or restrictions set forth in the design guidelines need not relate to all components of Navigators Landing, if the

Architectural Control Committee determines that only certain portions of the Property should be affected.

5.2.3 Exterior Finish. The exterior of the Improvements on all Lots, including without limitation the roof, materials and color thereof, shall be subject to the approval or disapproval of the Architectural Control Committee and shall be designed, built, and maintained so as to be compatible with the natural surroundings, existing structures, and landscaping within Navigators Landing. Exterior trim, doors, railings, decks, eaves, gutters, roof and the exterior finish of garages and other accessory buildings shall be designed, built, and maintained so as to be of high quality and compatible with the exterior of the structure they are part of or adjoin. Exterior materials for siding and trim shall be brick, masonry, tilt-up concrete, natural or synthetic stucco, or solid wood. In no case shall any prefabricated corrugated metal siding be permitted on any part of any Lot. Architectural accent metals may be approved with the Architectural Control Committees approval.

5.2.4 Building Location. Buildings shall observe the yard and setback regulations of the City of Medford. To the extent possible, parking in any front yard area, as that term is defined in the Medford Land Development Code, shall be limited to guest and visitor parking with employee parking to the rear of the building

5.2.5 Building Size. No principle building on any Lot shall have less than 2,000 gross square feet, provided that this restriction shall not apply to temporary buildings or structures, including food or beverage carts or structures.

5.2.6 Outdoor Storage; Screening. The location and screening of areas used or intended for the outdoor storage of products, materials or equipment, shall be approved by the Architectural Control Committee. No outdoor area used for permanent storage (or temporary storage for more than 90 days) shall be located within any front yard area as that term is defined in the Medford Land Development Code. Any area used for outdoor storage shall be completely screened by a brick or masonry wall, solid wood fence or chain-link fence with slats, not less than six (6) feet in height. Where a chain-link fence with slats is proposed, there shall be a hedge planted on the outside of the fence (except at gate openings). All proposed fences and/or screening must be approved by the Architectural Review Committee. Hedge plantings shall be placed not less than 4 feet apart and be an evergreen species commonly used for hedges. Where planted, screening hedges shall be appropriately irrigated, fertilized and pruned so as to create a neat and orderly appearance.

5.2.7 Landscaping Plant Materials; Weed Abatement. Portions of each lot not covered by buildings, parking or outdoor storage as the same has been approved by the Architectural Control Committee shall be landscaped with living landscape material, the plans for which as been approved by the Architectural Control Committee. This provision shall not apply to portions of each lot which are intended to accommodate the second or subsequent phase of a building project that has approved multiple phases, provided that no portion of any Lot intended for future buildings or additions to existing buildings, shall be used for outdoor storage unless the area conforms or is made to conform with the requirements of Paragraph 5.2.6. All living landscape materials shall be supplied with adequate water from a timed automatic underground irrigation

system. When planted, all landscaped areas not covered by living plant materials, shall have a four-inch deep mulch cover consisting of ground bark, gravel or decorative rock or stone. Weeds shall be controlled and landscaped areas shall be routinely maintained to afford a neat, orderly and attractive appearance.

5.2.7(a) **Street Trees.** There shall be street trees installed by each Owner or Occupant according to the following schedule:

• O'Hare Parkway	<i>Acer x freemanii</i> (Autumn Blaze Maple)	2-inch caliper (B&B ¹)
• National Drive	<i>Ginkgo biloba</i> (Princeton Sentry Maidenhair)	2-inch caliper (B&B)
• Heathrow Drive	<i>Saphora japonica</i> (Princeton Upright Pagoda)	2-inch caliper (B&B)
• Avion Drive	<i>Acer rubrum</i> (October Glory Maple)	2-inch caliper (B&B)
• Biddle Road	<i>Pyrus calleryana</i> (Chanticleer Flwg. Pear)	2-inch caliper (B&B)

The number and placement of street trees shall be in accordance with the master plan Navigators Landing, which may be amended from time to time. In no event will street trees be spaced less than 50 feet apart or such lesser distance as may be required by the City of Medford.

5.2.8 **Exterior Lighting.** Any exterior lighting other than lighting used for signage purposes, shall be confined to illumination of parking facilities, streets, roads, sidewalks, paths, exteriors of buildings, and entry ways to buildings. No lighting shall produce excessive glare or excessive illumination or unreasonably interfere with the use of any other portion of the Property. No flashing or blinking lighting shall be permitted.

5.2.9 **Fences and Walls.** All fences and walls and all fence and wall finishes shall be approved by the Architectural Control Committee prior to installation. All approved fences and walls shall be well-constructed of suitable fencing materials, shall be finished on both sides by the Person constructing the fence, and shall not detract from the appearance of any nearby building. No fence or wall taller than three (3) feet shall be located within any front yard area as that term is defined in the Medford Land Development Code.

5.2.10 **Signs.** All signs larger than four (4) square feet (except directional control signs) shall be approved by the Architectural Control Committee prior to installation.

5.2.11 **Hedges.** No hedges or other plantings along the boundaries of any Lot shall be permitted without the prior approval of the Architectural Control Committee.

5.2.12 **Garbage Receptacles; Screening.** Outdoor areas where garbage cans or dumpsters are located shall be screened by a brick or masonry wall, solid wood fence, or chain-link fence with slats. Where a chain-link fence with slats is proposed, there shall be a hedge planted on the outside of the fence (except at gate openings). Hedge plantings shall be placed not less than 4 feet apart and be an evergreen species commonly used for hedges. Where planted, screening hedges shall be appropriately irrigated, fertilized and pruned so as to create a neat and orderly appearance.

¹ Ball and burlap

5.2.13 Tree Removal. No trees with a diameter of six inches or more, measured at a height of five feet above ground level, may be removed from any Lot without the prior approval of the Architectural Control Committee. Each Owner shall supply to the Architectural Control Committee together with the plans and specifications for any proposed Improvement a drawing showing the intended location of such Improvement on such Owners Lot and of all trees thereon, so that necessary tree removal can be readily determined.

5.2.14 Service Facilities. Waste facilities, storage facilities, and other service facilities shall be screened so as not to be visible from the street or adjacent property. No on-street vehicle loading shall be permitted and all loading dock areas shall be recessed and screened so as to minimize visibility from the abutting and nearby streets and adjacent property.

5.2.15 Antennae. No exterior radio, television, or telecommunication towers, antennae, satellite dishes, or other exterior transmission or receiving devices shall be allowed without the prior approval of the Architectural Control Committee.

5.2.16 Parking Areas. Parking and loading spaces shall be provided as required by applicable governmental laws, rules, and regulations. All driveways and areas for parking, maneuvering, loading, and unloading shall be paved with asphalt, concrete, or other durable material approved by the Architectural Control Committee, providing dust-free, all-weather surfaces. All buildings shall have sufficient off-street parking to accommodate employee and customer parking. Employees shall not park on the rights-of-way of city streets that serve Navigators Landing, but instead shall park only within the off-street parking areas that serve the various buildings within Navigators Landing. If there is insufficient off-street parking for owners, employees and guests, the owner or lessee of the site shall find alternate parking space for their employees.

5.2.17 Utilities and Equipment. All utility lines shall be underground. Pad-mounted transformers, switch-gears, and similar equipment which must be installed above ground and all service equipment such as meters, generators, mechanical duct work, piping, and HVAC equipment shall be screened with suitable landscaping or walls of design and material compatible with those of the adjacent buildings. Rooftop HVAC equipment shall be appropriately screened.

5.3 Design Review Procedure

5.3.1 Submission of Plans. Prior to the commencement, erection, placement, or alteration of any Improvement on any Lot, the Owner desiring to commence, erect, place, or alter such Improvement shall submit plans and specifications to the Architectural Control Committee in accordance with such procedures as the Architectural Control Committee may establish from time to time. All plans and specifications shall conform to any specific requirements set forth in the design guidelines promulgated pursuant to Section 5.2.2 and shall provide sufficient detail to enable the Architectural Control Committee to determine whether the proposed Improvement is in conformance with the applicable requirements set forth in this Section 5 and in such design guidelines. Such plans and specifications shall be accompanied by the Owners payment of such reasonable fee as may be fixed by the Board from time to time to cover costs of

the design review process. The Owner shall also supply any additional information reasonably requested by any member of the Architectural Control Committee. The Architectural Control Committee shall review the information and plans submitted and shall, within 30 days after submission of all information requested by any member of the Architectural Control Committee, notify the Owner in writing of its approval or disapproval of the proposed Improvement. If the Architectural Control Committee fails to give notice of its decision within such 30-day review period, the proposed Improvement shall be conclusively presumed to be approved as submitted.

5.3.2 Approval. The Architectural Control Committee may approve a proposed Improvement as submitted or may impose specific conditions which must be met before approval will be granted. A decision by a majority of the members of the Architectural Control Committee shall constitute a decision of the Architectural Control Committee.

5.3.3 Commencement of Work. As soon as practicable after the receipt of approval by the Architectural Control Committee, if the Owner elects to proceed with the Improvement, the Owner shall satisfy any and all conditions of such approval, shall secure all necessary governmental permits and approvals, and shall commence construction of the approved Improvement. The Architectural Control Committee's approval of any proposed Improvement shall automatically be deemed revoked 180 days after issuance unless construction of the Improvement has commenced or the Owner has applied for and received an extension of time from the Architectural Control Committee.

5.3.4 Completion of Work. Any approved Improvement shall be completed within 540 days after the date of commencement of construction in the case of any Improvement on a Lot; provided, however, that if the construction of any approved Improvement is delayed by causes beyond the reasonable control of the Person constructing such Improvement, the period within which construction must be completed shall be extended by the number of days construction is so delayed. In all cases, landscaping shall be completed within 90 days after substantial completion of associated Improvements unless extension is granted by the Architectural Control Committee for weather delays. Promptly after completion of any Improvement, the Owner shall give written notice of completion to the Architectural Control Committee. Within 30 days after the effective date of such notice or at any time that the Architectural Control Committee has reason to believe that an Improvement has been completed, the Architectural Control Committee shall inspect the completed Improvement and give written notice to the Owner of any respects in which the completed Improvement fails to conform to the plans therefor as approved by the Architectural Control Committee. The Architectural Control Committee shall specify in any such notice a reasonable period, which shall be not less than 30 days, during which the Owner may remedy the nonconformance. If the Architectural Control Committee fails to give a notice of nonconformance within 30 days after the effective date of a notice of completion, the Improvement shall be conclusively presumed to be approved as completed.

5.3.5 Failure to Act. If at any time the Architectural Control Committee fails for any reason to perform its responsibilities under this Section 5, the Board shall have complete authority to serve as a temporary Architectural Control Committee.

5.3.6 Architectural Control Committee Discretion. The Architectural Control Committee, in its sole discretion, may withhold approval of any proposed Improvement if the Architectural Control Committee finds that the proposed Improvement would be inconsistent with the provisions of Section 6 or would be incompatible with the design standards for Navigators Landing, as set forth in this Section 5 and in the design guidelines promulgated pursuant to Section 5.2.2. Considerations such as siting, shape, size, color, design, height, impairment of the view from other parts of the Property, solar access, and other effects on the enjoyment of other parts of the Property, including without limitation the Public Open Space and the Recreational Facilities, as well as any other factors which the Architectural Control Committee believes to be relevant, may be taken into account by the Architectural Control Committee in determining whether or not to approve any proposed Improvement. The Architectural Control Committee, in its sole discretion, may, upon application, waive any provision of this Section 5 if it finds that the application of such provision results in unnecessary hardship to the affected Owner and that strict application is not necessary for the furtherance of the objective to create an attractive development.

5.3.7 No Liability. Neither the Architectural Control Committee, nor any member thereof, nor the Association shall be liable to any Owner, Occupant, Developer, or other Person for any damage or loss suffered or claimed as a result of any action or failure to act on the part of the Architectural Control Committee or any member thereof, so long as the Architectural Control Committee or such member has acted in good faith based on actual knowledge.

5.3.8 Nonwaiver. Approval or disapproval by the Architectural Control Committee of any matter proposed to it or within its jurisdiction shall not constitute a precedent or waiver or impair in any manner whatsoever the right of the Architectural Control Committee to grant or withhold approval as to any similar matter thereafter proposed or submitted to it for approval.

5.3.9 Estoppel Certificate. Within 20 days after receipt of a written request from any Owner, and the payment by such Owner of such reasonable fee as may be fixed by the Board from time to time to cover costs, the Architectural Control Committee shall provide such Owner with an estoppel certificate executed by a member thereof, certifying with respect to the Lot(s) owned by such Owner that, as of the date of the certificate, either (i) all Improvements on such Lot(s) comply with this Declaration, or (ii) such Improvements do not so comply, in which event the certificate shall also identify the noncomplying Improvements and state with reasonable particularity the nature of such noncompliance. Any purchaser from an Owner, and any mortgagee or other encumbrancer, shall be entitled to rely upon any such certificate as to the matters set forth therein, such matters being conclusive among Declarant, the Architectural Control Committee, the Association, all Owners, and such purchaser, mortgagee, or other encumbrancer.

SECTION 6. PROPERTY USE AND RESTRICTIONS

6.1 Improvements Permitted. No Improvement shall be erected or permitted to remain on any Lot except Improvements consisting of or containing Improvements normally accessory thereto. The provisions of this Section 6.1 shall not be construed to prohibit construction of such Improvement as has been approved by the Architectural Control Committee and is otherwise in conformance with this Declaration and applicable governmental requirements.

6.2 Landscaping and Maintenance. Each Owner and Occupant shall maintain such Owners or Occupants Lot, and the Improvements thereon, at such Owners or Occupants expense. Required maintenance and repair shall include without limitation (i) maintenance of all parking areas, private drives, curbs, and walkways in a clean and safe condition, including cleaning, repairing, and restriping as often as is necessary; (ii) maintenance of landscaping in an attractive, neat, orderly, trimmed, and cut condition at all times, free of brush, weeds, and debris; (iii) cleaning, maintenance, and relamping of any external lighting fixtures; and (iv) maintenance of exteriors of buildings in an attractive and neat condition at all times. In addition, each Owner and Occupant shall maintain in good condition and repair the sidewalks, street trees, and grass and other landscaping, if any, between the sidewalks and curbs bordering on such Owners or Occupants Lot, whether located on the Lot or the adjacent right-of-way. If the Board determines that maintenance and repairs are not conducted as required pursuant to this Declaration, the Association may conduct the necessary repairs or maintenance as provided in Section 8. Notwithstanding the provisions of this Section 6.2, the maintenance and upkeep of the Common Areas and Open Space as described in Section 7.1, shall be the sole responsibility of the Association.

6.3 Limitations on Use

6.3.1 Offensive Activities. No noxious or offensive activity shall be carried on in Navigators Landing, nor shall anything be done or placed upon any Lot or Tract which interferes with or jeopardizes enjoyment of other Lots or Common Areas.

6.3.2 Animals. No animals of any kind shall be raised, kept, or permitted within Navigators Landing; provided, however, that each Owner and Occupant may keep a reasonable number of household pets which are not kept, bred, or raised for commercial purposes and which are controlled so as not to be a nuisance; and provided further that the selling, keeping, breeding, and raising of animals shall be permitted in any pet store or veterinarian office to which space is leased or sold on a Lot.

6.3.3 Parking. Parking of boats, trailers, recreational vehicles, trucks, campers, and similar equipment in excess of three-quarters of a ton in weight shall not be allowed on any Lot, or any street adjacent thereto, except within an enclosed garage or screened area which prevents the vehicle or equipment therein from being seen from any other Lot, the Open Space or Common Areas, or any street within the Property and the construction of which has been reviewed and approved by the Architectural Control Committee pursuant to Section 5.

6.3.4 Vehicles in Disrepair. No Owner or Occupant shall permit any vehicle which is in an extreme state of disrepair (as reasonably determined by the Board) or which is under repair to be abandoned or to remain parked on any Lot for a period in excess of 48 hours. If an Owner or Occupant fails to remove such a vehicle within five days after notice from the Association, the Association may have the vehicle removed from the Property and charge the expense of such removal to the Owner of the Lot as provided in Section 8.

6.3.5 Rubbish and Trash. No Lot nor any part of the Common Areas shall be used as a dump for trash or rubbish of any kind. All garbage and other waste shall be kept in

appropriate sanitary containers for proper disposal and out of public view. Yard rakings, dirt, and other material resulting from landscaping work shall not be dumped onto streets or Common Areas or on any Lot. In the event an Owner or Occupant fails to remove any trash, rubbish, garbage, yard rakings, or other waste materials from such Owners or Occupants Lot (or from any street or Common Areas if deposited thereon by such Owner or Occupant) within five days after notice from the Association, the Association may have such waste removed and charge the expense of such removal to the Owner of the Lot as provided in Section 8.

6.3.6 Temporary Structures. No structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuilding shall be permitted or used in Navigators Landing at any time as a residence either temporarily or permanently.

6.3.7 Improvements in the Public Open Space. No Improvement of any type shall be erected or maintained by any Owner or Occupant so as to trespass or encroach upon the Common Areas.

SECTION 7. COMMON AREAS, OPEN SPACE AND EASEMENTS

7.1 Common Areas and Open Space. Every Owner and Occupant, and all invitees and guests of all Owners and Occupants, shall have a nonexclusive right and easement to use and enjoy the Common Areas and Open Spaces, which right and easement shall be appurtenant to and shall run with the Property and all Lots therein. Such right and easement shall be subject to the Associations right to promulgate rules and regulations governing the use of the Common Areas and Open Space. The Association shall maintain and repair the Common Areas and Open Space, subject to the Owners obligations to pay their allocable shares of the cost of such maintenance and repair in accordance with Section 4. The Common Areas, Open Space and Easements consist of the following:

7.1.1 Parkstrips. The parkstrips shall include all land located between the concrete curbs along each street and extending to the sidewalks, in or out of the city right-of-way in which there is located landscaping that consists of living and non-living landscape materials, including but not limited to trees, shrubs, grass and groundcover, ground bark, gravel or decorative rock or stone. The common area within the Parkstrips does not include driveways or driveway aprons.

7.1.2 Riparian Corridor. The landscaped riparian corridor along Lone Pine Creek.

7.1.3 Open Space Area. The Open Space area located between Lots 10 and 11 which shall be used and maintained as common open space until such time (if ever) that the land is needed for the extension of Avion Drive.

7.1.4 Project Entry. The portion of Lots 1 and 34 which constitute the specialized landscape project entry and which includes the project identification monument sign, lighting and appurtenances.

7.1.5 Detention Basin. That portion of Lot 42 referred to as Detention Basin, PUE and Access Easement.

7.2 Utility Easements. The Association shall have the right to grant nonexclusive easements and rights of way over the Public Open Space for the purpose of installing, maintaining, repairing, and replacing public utility lines, services, and facilities reasonably necessary to serve any of the Property.

7.3 Future Improvements. The Association shall have the right to make further Improvements in or of the Common Areas and Open Space and to expand or replace any Improvements in the Public Open Space.

SECTION 8. RIGHT OF ENTRY

Declarant, the Association, the Architectural Control Committee, and any representative of any of the foregoing shall have the right to enter upon any Lot (i) to clean or maintain landscaping, parking areas, driveways, exterior lighting fixtures, and buildings; (ii) to inspect any Lot prior to, during, or upon the completion of construction of Improvements thereon; (iii) to remove, demolish, replace, alter, repair, or otherwise correct any Improvement which is placed on any Lot without the prior approval of the Architectural Control Committee pursuant to Section 5 or which is constructed or installed in a manner inconsistent with the terms of the Architectural Control Committees approval therefor pursuant to Section 5; (iv) to enforce the provisions of Sections 6.3, 6.4.4, and 6.4.5 if the Owner of the Lot in question does not do so as required by this Declaration; or (v) for any other purpose permitted under this Declaration. The Owner of any Lot shall reimburse the Association for any expenses incurred in connection with any action described in the clauses (i), (iii), or (iv) of the preceding sentence promptly upon billing of the same. If the Owner fails to reimburse the Association within ten days after such billing, the Association may impose a lien against the Lot as provided in Section 4.6. No entry on any Lot pursuant to this Section 8 shall be deemed a trespass or otherwise create any right of action in the Owner or Occupant of such Lot.

SECTION 9. GENERAL PROVISIONS

9.1 Duration. These covenants, conditions, and restrictions shall run with and bind, benefit, and burden in perpetuity the Property, all Owners and Occupants, and the lessees, invitees, and guests of all Owners and Occupants.

9.2 Severability. In the event any provision of this Declaration is determined to be invalid or unenforceable, that determination shall not affect the validity or enforceability of any other provision or of the same provision to a different situation.

9.3 Amendment. Prior to the Turnover Date, this Declaration may be amended at any time and from time to time by Declarant. Thereafter, this Declaration may be amended only (i) by majority vote of the Board, or (ii) upon the affirmative vote of 65 percent or more of the Owners, with each Owner having one vote for each Lot owned; provided, however, that the provisions of Section 4.2 or 4.3 may be amended after the Turnover Date only by unanimous vote of the Board or

upon the affirmative vote of 75 percent or more of the Owners. For purposes of this Section 9.3, if there is more than one Owner of any Lot, such Owners shall together be considered a single Owner with respect to such Lot.

9.4 Enforcement. The Association and each Owner shall have right to enforce all of the covenants, conditions, restrictions, reservations, easements, liens, and charges now or hereinafter imposed pursuant to any provision of this Declaration by any appropriate proceeding at law or in equity. Any remedies specifically provided herein are nonexclusive and cumulative and are in addition to all other remedies available to the Association and the Owners at law or in equity.

9.5 Non-Waiver. Any failure of the Association or any Owner to enforce a covenant, condition, or restriction contained in this Declaration shall not be deemed to constitute a waiver of the Associations or any Owners right to enforce that or any other covenant, condition, or restriction contained in this Declaration.

9.6 Declarant Not Liable. Neither Declarant nor Declarants successors or assigns shall be liable to any Owner or Occupant or to any other Person for its enforcement or failure to enforce any provision of this Declaration. Each Owner and Occupant, by acquiring such Owners or such Occupants interest in the Property, agrees not to bring any action or suit against Declarant or any successor or assign of Declarant to recover any such damages or to seek any other relief (including without limitation equitable relief) by reason of any such enforcement or failure to enforce any provision of this Declaration. Each Owner and Occupant shall and does, by taking title to or occupying any portion of the Property, agree to defend, indemnify, and hold harmless Declarant and Declarants successors and assigns from any claim, loss, damage, cost, or expense (including without limitation reasonable attorneys fees) arising out of the use, operation, ownership, occupancy, or condition or state of repair of that portion of the Property owned by such Owner or occupied by such Occupant.

9.7 Constructive Notice and Acceptance. By the recording of this Declaration, each Owner and Occupant shall be deemed to have consented and agreed to every term, covenant, condition, and restriction contained herein.

9.8 Joint and Several Liability. If an Owner consists of more than one Person, each such Person shall be jointly and severally liable for any assessment or charge and for the performance of any other obligation imposed pursuant to this Declaration.

9.9 Captions. The captions and headings of sections herein are for convenience only and are not intended in any way to define, limit, or describe the scope or intent of any section of this Declaration.

9.10 Notices. All notices under this Declaration shall be in writing. Any such notice shall be deemed effective on the earlier of the date of delivery or, if mailed, three business days following the date of mailing, if addressed to the addressee at the address, if any, designated in the Associations records.

IN WITNESS WHEREOF, the Declarant has executed this

Declaration on this 13th day of May, 2002.

NAVIGATORS LANDING, LLC
an Oregon Limited Liability Company

By [Signature]
L. John Pierce, Managing Member

STATE OF OREGON)
) ss
County of Jackson)

The foregoing instrument was acknowledged before me this 13th day of May, 2002 by L. John Pierce, as Managing Member of Navigators Landing, an Oregon corporation, on behalf of the corporation.



[Signature]
Notary Public for Oregon
My Commission Expires: 10/2/02

Jackson County, Oregon
Recorded
OFFICIAL RECORDS

MAY 14 2002
2:30 PM
[Signature]
COUNTY CLERK