

**SECOND AMENDED AND RESTATED DECLARATION OF
CONDITIONS & RESTRICTIVE COVENANTS OF THE
HIDDEN GROVE AND GREEN VALLEY SUBDIVISIONS
CITY OF CENTRAL POINT, JACKSON COUNTY, OREGON**

This Second Amended and Restated Declaration of Conditions & Restrictive Covenants of the Hidden Grove and Green Valley Subdivisions is made on the date indicated below by the Hidden Grove/Green Valley Homeowners Association, an Oregon nonprofit corporation. This document is effective upon recording in the Official Records of Jackson County, Oregon.

WHEREAS, the true Declarant recorded the Declarations of Conditions & Restrictive Covenants of the Green Valley Subdivision, a Planned Community on January 9, 2001 as document number 01-00875 in the Official Records of Jackson County, Oregon (“Original Declaration 1”);

WHEREAS, the true Declarant recorded the Declarations of Conditions & Restrictive Covenants of the Hidden Grove Subdivision, a Planned Community on January 10, 2001 as document number 01-01165 in the Official Records of Jackson County, Oregon (“Original Declaration 2”);

WHEREAS, Original Declarations 1 and 2 were repealed, rescinded and superseded by the Amended and Restated Declaration of Conditions & Restrictive Covenants Hidden Grove Green Valley Subdivision City of Central Point, Jackson County, Oregon recorded on July 25, 2008 as recording number 2008-028240 in the Official Records of Jackson County, Oregon (“Amended Declaration”);

WHEREAS, not less than a majority of the Board of Directors of the Hidden Grove/Green Valley Homeowners Association approved the Second Restated and Amended Declaration set forth herein, and, after notice to all Association members entitled to vote thereon, not less than 75% of the voting power of the Association voted or agreed to the adoption of the Second Restated and Amended Declaration;

NOW THEREFORE, the undersigned do certify that the Amended Declaration is repealed, rescinded and superseded by this Second Amended and Restated Declaration of Conditions & Restrictive Covenants of the Hidden Grove and Green Valley Subdivisions as set forth herein:

WHEREAS, Green Valley Subdivision of this project consists of 107 Lots and;

WHEREAS, Hidden Grove Subdivision of this project consists of 97 Lots and;

WHEREAS, the Subdivisions include the necessity for each subsequent Lot owner to be responsible for the maintenance of their individual properties within the PUD Subdivisions, such as lot and home maintenance, parking areas, landscaped areas, etc. and a pro-rata share of the costs of maintenance and operation of the Common Areas and;

WHEREAS, the Declarant intends to ensure through these Conditions, Covenants and Restrictions and the Bylaws and Rules and Regulations, known collectively as the “Declarations,” that the scope and quality of the Subdivisions are consistent throughout for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivisions and providing a meaningful and reasonable provision for the operation, maintenance and upkeep of the Subdivisions, and to ensure the health, safety and welfare of the residents within the Subdivisions;

NOW THEREFORE, the City of Central Point, Oregon has approved plats for the Hidden Grove and Green Valley Subdivisions; and the Lots and parcels described on the plats are, and shall be held and conveyed to private individuals and shall be subject to dedications, easements, and conditions as set forth on the Plats. Property Descriptions are included herein as Exhibits A and B.

ARTICLE I

DEFINITIONS

As used in these Declarations, the term

- a) “Common Area” is that portion of the Subdivisions that is transferred in fee simple, but remains part of the Subdivisions to be used by all residents. The Common Area includes the entrance features and Lot numbers 1, 20, 32 and 53 and any areas as noted as “common” on the final plats otherwise known as:
 - i. 372W01BB 1200 – CLUBHOUSE (Lot #1 from the original plat map)
372W01BB 1301 – VACANT LOT (Lot #53 from the original plat map)
372W02AA 6900 – GREEN VALLEY PARK (Lot #20 from the original plat map)
362W35DD 600 – RV/MINI STORAGE AREA (Lot 32 from the original plat map)
372W01BB 7500 – HIDDEN GROVE STREETS (Roadway) (Minus Ivan Lane)
372W02AA 9000 – IVAN LANE (Roadway)
372W02AA 8900 – GREEN VALLEY STREETS (Roadway) (Minus Walnut Grove Lane, Blue Sky Way and Green Valley Way)
362W35DD 6100 – WALNUT GROVE LANE, BLUE SKY WAY AND GREEN VALLEY WAY (Roadway)
362W35DD 6200 – REMAINDER OF IVAN LANE (Roadway)
 - ii. All the streets and street gutters in the Subdivisions are owned by the Declarant and their maintenance is the responsibility of the Homeowners Association. The subsurface sanitary sewer system, including any lateral sewer lines connected to

homes, is owned and maintained by Rogue Valley Sewer Services. The storm drains, water lines, and water distribution system outside the Lots are owned and maintained by the City of Central Point. All electric, gas, telephone, television, internet and lighting systems outside the Lots are owned and maintained by private and public utilities;

- b) “Declarant” means Walnut Grove LLC, and its successors, heirs and assigns of Declarant’s interest as owners of the Subdivisions. The Declarant shall consist of owners of the 200 Lots. Ownership of each Lot shall confer 1/200th ownership in severalty in the Common Area as defined under “Common Area”;
- c) “Dwelling” means any structure constructed on a Lot intended to be occupied by one family as a dwelling under applicable zoning and building laws and restrictions;
- d) “Homeowners Association” or “Association” means the Hidden Grove/Green Valley Homeowners Association, its successors and/or assigns;
- e) “Lot” means any numbered Lot of land shown upon the recorded final plat of the Subdivisions as approved by the City of Central Point, Oregon, with the exception of the Common Area;
- f) “Manufactured Home” means a structure constructed off-site, designed for movement on the public highway on its own wheels and axles to be placed on real property permanently or semi-permanently, having sleeping, cooking, electrical and plumbing facilities, intended for human occupancy and used for residential purposes;
- g) “Manufactured Home Accessory Structure or Building” means any portable, demountable or permanent awning, cabana, Ramada, carport, porch, skirting, steps, shed, building or other structure established for use or enjoyment of the occupant of a Manufactured Home, whether the same be prefabricated or site-built, attached or unattached to the Manufactured Home, dependent on or independent of the Manufactured Home for structural support in whole or in any part, but that complies with the architectural design control and maintenance provisions of these Declarations;
- h) “Member” means a member of the Homeowners Association which is comprised of the owners of record;
- i) “Mortgage” means a Deed of Trust, Contract of Sale or a Mortgage;
- j) “Mortgagee” means a beneficiary under a Deed of Trust or Mortgage or a vendor (seller) under a Contract of Sale;
- k) “Owner” means the record owner, whether one or more parties or entities, or a simple title to any Lot which is part of the Subdivisions, but in the case of sale under a Contract of Sale, owner shall also mean the Contract purchaser of a Lot within the Subdivisions, but excluding those having such interest merely as security for the performance of an obligation;
- l) “Pedestrian Easement” refers to the sidewalk/driveway along the front of each Lot, which shall herein become a pedestrian easement. Each Lot owner, by purchasing said Lot,

hereby grants a pedestrian easement across the sidewalk/driveway on the frontage of each Lot;

- m) "Personal Application" means that all present or future owners, or any other person that uses the property or facilities thereon in any manner, are subject to the regulations set forth in this Declaration, the Bylaws, the Rules and Regulations and any management agreement entered into pursuant to the terms hereof. The mere acquisition of any of the Lots in the Subdivisions or the mere act of occupancy of any of said Lots will signify that this Declaration, the Bylaws, the Rules and Regulations and the provisions of the management agreement are accepted, ratified and will be complied with;
- n) "Plats" means the final plats of the Subdivisions as approved by the City of Central Point, Oregon;
- o) "Properties" means the real property herein described and such additional property as may be brought within the jurisdiction of this Declaration;
- p) "PUD" means the Hidden Grove Subdivision, consisting of 97 Lots, 94 of which are residential Lots; and the Green Valley Subdivision, consisting of 107 Lots, 106 of which are residential. Both are located in Central Point, Oregon;
- q) "Resident" means any person who resides in the Subdivisions;
- r) "Resident Nonmember" means any person who resides in the Subdivisions who is not an owner, including but not limited to, persons holding a leasehold estate in any building or Lot in the Subdivisions. Resident nonmembers do not have the right to vote;
- s) "Stick-Built Home" means a structure constructed on site to be placed on real property permanently, having sleeping, cooking, electrical and plumbing facilities, and intended for human occupancy and used for residential purposes;
- t) "Subdivisions" means the Green Valley Subdivision, a Planned Community, recorded on January 9, 2001, as Document Number 01-00875 in the Official Records of Jackson County, Oregon (Exhibit "A") and the Hidden Grove Subdivision, a Planned Community, recorded on January 10, 2001 as Document Number 01-01165 in the Official Records of Jackson County, Oregon (Exhibit "B");
- u) "Tenant" means any person renting or leasing a Lot within the Subdivisions, their successors, heirs and assigns, and
- v) "Utility Easement" refers to easements of record within the Subdivisions for the purpose of building, constructing and maintaining underground or concealed electric, telephone, gas, water, sewer and storm drainage lines, television or internet cables, and other similar services now or hereafter commonly supplied by private or municipal corporations.

ARTICLE II

APPLICABILITY

Every person or entity who is a recorded owner or tenant of land under the terms noted above of any Lot or parcel within the Subdivisions shall be subject to the following Conditions, Covenants

and Restrictions, which have been established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivisions and providing a meaningful and reasonable provision for the operation, maintenance and upkeep of the Subdivisions, and to ensure the health, safety and welfare of the residents within the Subdivisions.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES

Additional property may be annexed to and become subject to this Declaration, from time to time, upon approval in writing of the Homeowners Association, pursuant to a sixty-six and two-thirds (66 2/3s) majority vote of voting owners to subject it to the jurisdiction of the Homeowners Association, by the filing of record of a Supplementary Declaration as described below. Any property annexed in shall be made subject to this Second Amended and Restated Declaration and subject to the jurisdiction of the Homeowners Association.

Section 1 - Annexation

- a) The development of the additional properties must be in accordance with a general plan of development approved by the City of Central Point, Oregon;
- b) The proposed annexation must be in substantial conformance with a detailed plan of phased development;
- c) A Supplementary Declaration, as described in Section 2 below, shall be recorded covering the applicable portion of the annexed property;
- d) Any additional Common Area to be annexed as part of the annexation of additional property may be developed as determined at the sole discretion of the Declarant;
- e) Voting rights relating to membership in the Homeowners Association will continue to be allocated on the basis of one (1) vote for each Lot;
- f) Upon the annexation of any Lots, Common Area expenses shall continue to be apportioned equally among all Lots.

Section 2 – Supplementary Declaration

The additions authorized under this Article III above shall be made by filing of record of a Supplementary Declaration of Covenants, Conditions and Restrictions, or similar instrument, with respect to the additional properties, which instrument shall extend the framework of this Declaration to such properties. Each such Supplementary Declaration may contain such complementary additions and modifications of the Covenants, Conditions and Restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties.

ARTICLE IV

MEMBERS' EASEMENTS OF ENJOYMENT

Every Member shall have a right and easement of enjoyment in and to the Common Areas, and such easement shall be appurtenant to, and shall pass with, the title to every Lot.

Section 1 – Limitations

- a) The right of the Homeowners Association to limit reasonably the number of guests of Members permitted to use the Common Areas;
- b) The right of the Homeowners Association to charge reasonable admission fees for the use by any guest of any recreational facilities situated upon the Common Areas;
- c) The right of the Homeowners Association to charge use fees for RV storage, storage units and the clubhouse;
- d) The right of the Homeowners Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of purchasing or improving the Common Areas and facilities and, in aid thereof, to mortgage said Common Areas and facilities for such purposes;
- e) The right of the Homeowners Association to suspend any member's voting rights and/or the right of any residents or their guests to use any of the Common Areas and facilities owned by the Homeowners Association, and
- f) The right of the Homeowners Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be deemed advisable by the Homeowners Association.

Section 2 – Enforcement

The Homeowners Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, covenants and conditions, reservations, easements, liens and charges now or hereafter imposed by the provisions of the Bylaws and this Declaration. Failure by the Homeowners Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so.

Section 3 – Non-Transferability of Use

No Member may transfer in whole or in part, in accordance with the Rules and Regulations adopted by the Homeowners Association, their right of enjoyment to the Common Areas and facilities. Guests are allowed to use the Common Areas only when accompanied by a Member or resident nonmember.

ARTICLE V

CONDITIONS AND RESTRICTIONS

The following conditions and restrictions shall be applicable to the real property described as the Subdivisions as well as each Lot in the Subdivisions, and shall be for the benefit and limitations upon all present and future owners of said property or any interest therein.

Section 1 – Design Review

All homes, accessories, alterations, additions, improvements and construction will comply with all applicable federal, state, county and local statutes, regulations, building codes and ordinances. The plans, specifications and plot plan for the dwelling and/or other structures to be constructed or altered on each Lot in said Subdivisions shall be approved, in writing, before construction may commence. Approval shall be obtained by application to the Homeowners Association consistent with the Bylaws.

Section 2 – General Provisions

- a) **Severability:** Invalidation of any one of these Covenants, Conditions or Restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.
- b) **Duration:** The Conditions, Covenants and Restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, the Homeowners Association or the owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, of a term of twenty-five (25) years from the date this Declaration is recorded, after which time said Covenants shall be automatically extended for three (3) successive periods of ten (10) years each unless repealed and/or amended by a vote of two-thirds (2/3) of the voting owners who are entitled to vote pursuant to the Bylaws.
- c) **Amendment:** Any of the Conditions, Covenants or Restrictions of this Declaration may be amended by an instrument in writing, signed and acknowledged by three-fourths (3/4) of the voting owners who are entitled to vote pursuant to the Bylaws. A copy of the Covenants, Conditions and Restrictions, as amended, or the amendment thereof, certified by the President and the Secretary of the Homeowners Association, shall be effective when recorded in the appropriate Deed Records of Jackson County, Oregon. A Declaration may amend the Declaration or Bylaws in order to comply with requirements of the Federal Housing Administration, the Veterans Administration, the USDA Rural Housing Service (formerly the Farmers Home Administration of the United States), the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission or agency of the United States or the State of Oregon or any corporation wholly owned, directly or indirectly, by the United States or the State of Oregon which insures, guarantees or provides financing for a planned community or Lots in a planned community.

- d) Easements: Easements for the installation and maintenance of utilities and drainage are reserved as shown on the recorded final plats and a pedestrian easement as outlined in Section 15 below.
- e) Exceptions: The Board of Directors shall have the power to grant to any Lot owner special exceptions as to any condition or covenant contained in this Declaration upon assent of a majority vote of the Board of Directors. These exceptions shall be final and binding upon the Homeowners Association and all Lot owners in the properties. Such special exception may be granted subject to whatever provisions or conditions granted by the Board of Directors and shall conform to administrative rules, ordinances and statutes of the City of Central Point and the State of Oregon.
- f) No Right of Reversion: Nothing herein contained in this Declaration, or in any form of deed which may be used by the Declarant, or its successors and assigns, in selling any Lot in the properties, may be deemed to vest or reserve in the Declarant or the Homeowners Association any right of reversion or reentry for breach or violation of any one or more of the provisions hereof.
- g) Scope and Applicability: This Declaration applies to and binds all members and resident nonmembers. This paragraph does not confer membership status on any resident nonmember, nor does it impose liability on any resident nonmember for assessments authorized herein.
- h) Enforcement: The Homeowners Association and any Lot owner in the Subdivisions have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants and reservations now or hereinafter imposed by the provisions of this Declaration. In the event of any such enforcement, the prevailing party shall be entitled to recover reasonable attorney fees and costs and disbursements incurred, including such of the same as may be incurred in any appeal.
- i) Non-Waiver: Any failure by the Homeowners Association or by any Lot owner to enforce any covenant or restriction contained herein shall in no event be deemed to constitute a waiver of the right to do so thereafter or a waiver of any other provision of this Declaration.
- j) Hold Harmless Agreement: Each Lot owner and the Homeowners Association agree by purchasing a Lot in the Subdivisions to hold harmless the Declarant and the Homeowners Association for any and all matters whatsoever. This hold harmless agreement was a material consideration for converting this project into a Planned Unit Development.

Section 3 – Land Use

Lots in these Subdivisions shall be restricted to residential purposes with the exception of those Lots that are part of the Common Area. Rentals are allowed in the Subdivisions and this provision cannot be changed without one hundred percent (100%) of the votes of the voting owners. No home or Lot shall be rented for less than thirty (30) continuous days at one time. All rental and lease agreements shall be in writing and provisions shall require tenants to comply with these Covenants, Conditions and Restrictions, the Bylaws and the Rules and Regulations the same as all owner occupied units.

Stick-built houses are allowed on Lots within the Subdivisions. All stick-built houses must be approved by architectural review.

Manufactured homes are allowed only in the Hidden Grove Subdivision. All manufactured homes must be double or triple wide only and must be approved by architectural review. Lot owners shall pay all setup and hookup costs, including but not limited to, electrical, telephone, sewer, gas, water and blocking (both labor and material).

Lot owners shall reimburse the Homeowners Association for any expenses incurred as a result of damage caused to the Lot, streets or any portion of the Common Area during the construction, setup, move in or move out process.

All buildings shall be located upon Lots in conformity with the requirements of the city codes and ordinances of the City of Central Point, Oregon.

Section 4 – Occupancy and Completion Time

No home will be occupied until the Certificate of Occupancy has been issued.

Section 5 – Landscaping

The Subdivisions are developed as residential complexes utilizing private streets. The private streets within the Subdivisions are designated as Common Area and will be maintained consistent with these Declarations and the provisions of the Bylaws and Rules and Regulations for the Homeowners Association.

Lots 31, 76-83 and 90-97 of the Hidden Grove Subdivision and Lots 38-41 of the Green Valley Subdivision are subject to the following covenant, condition and restriction: the existing common walls, railroad ties and all related supports are not to be altered or modified in any manner whatsoever, except for the repair and maintenance as needed to preserve their permanent state. Further, each Lot is subject to a perpetual easement for ingress and egress for the purposes of said repair and maintenance which binds the owners of each Lot and their successors and assigns in perpetuity.

Section 6 – Fencing

All the existing perimeter and lot fencing in the Subdivisions will remain in its present location. All future fencing will remain consistent with the present, installed fencing as outlined below. Disclaimer: the existing fences may not be on the property line, and all buyers of Lots accept this fact and are purchasing the Lots with this provision holding the Association harmless in this regard.

All fences must comply with code requirements, specifically relating to fencing, of the City of Central Point. See Exhibits “C” and “D” for additional requirements.

Section 7 – Home Maintenance

Each Lot owner shall at all times, including vacation and periods of absence, be responsible for maintaining and keeping clean and in good repair the exterior of the home as well as all

appurtenant structures such as carports, decks, steps, sidewalks, driveways, storage buildings and fences.

If a home is not maintained according to the provisions of these Declarations and the Rules and Regulations, the matter will be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 8 – Landscaping Maintenance

Each Lot owner shall at all times, including vacation and periods of absence, be responsible for maintaining the landscaped areas on the Lot, including but not limited to, lawn, flowers, trees and shrubbery within the Lot.

If landscaping is not maintained according to the provisions of these Declarations and the Rules and Regulations, the matter will be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 9 – Nuisances

Noxious, offensive or unsightly activity or conditions shall not be permitted in the Subdivisions, nor shall anything be done therein which may be or become an annoyance or nuisance to the neighborhood, the Association, or its Members. The term “NUISANCE” as used in this section includes, but is not limited to, loud and/or offensive noise, barking dogs, storage of junked, wrecked or inoperative vehicles, litter, waste materials, offensive odors or other conditions deemed a nuisance as defined by state law. Nuisance enforcement may be via complaint and citation through the Central Point Police Department.

If nuisance issues are not handled upon notification according to the provisions of these Declarations and the Rules and Regulations, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 10 – Pets

No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the properties or in any dwelling, except that dogs, cats or other generally recognized household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purposes, and provided further that no household pet may be permitted to roam at large or create a nuisance on the Common Property.

If pet issues are not handled upon notification according to the provisions of these Declarations and the Rules and Regulations, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 11 – Vehicles

Garages attached to dwellings and driveways adjacent to the garages or dwellings may be used only for parking of passenger vehicles and may be used only by the owners or tenants or invitees of the owners or tenants of a dwelling and only in connection with the use of such dwelling.

Such garages and driveways may not be used by any person other than an owner, tenant or invitee of an owner or tenant.

If vehicles are not parked according to the provisions of these Declarations or the Rules and Regulations, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 12 – In-Home Businesses

In-home businesses as defined by the City of Central Point are allowed within the Subdivisions and must comply with city code.

Any in-home business that potentially affects the home values and/or the quality of life of any resident of the Subdivisions, including but not limited to, parking, noise, and fumes, must be approved by the Homeowners Association. In-home businesses that provide services using the Common Areas must provide proof of proper insurance and sign a liability waiver indemnifying the Homeowners Association from any and all actions, suits, claims for relief, demands, damages and causes of actions of any kind and nature known and unknown. Any damages incurred are solely the responsibility of the business.

If an in-home business is not approved by the Homeowners Association and continues to operate within the Subdivisions, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 13 – Parks and Recreational Facilities

The parks and all common recreational facilities including, but not limited to, the swimming pool, tennis court, basketball court and playground area are for the enjoyment of residents and their guests only. Residents must be in attendance with their guests at the facilities. The residents' Homeowners Association assessments must be current in order to use these facilities.

If a violation of parks and/or recreational facilities rules occurs, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 14 – Clubhouse

The clubhouse is available for residents to rent. Residents must be present at all times during the rental period. The corresponding member's Homeowners Association assessments must be current and a rental agreement and waiver must be signed by the resident. See the Rules and Regulations for additional requirements.

If a violation of the clubhouse rules occurs, the matter may be taken to the Homeowners Association for enforcement according to the provisions of these Declarations, the Bylaws and the Rules and Regulations.

Section 15 – Easements

The Declarant hereby grants to the public utilities providing services, including but not limited to electricity, natural gas, water, subsurface disposal, telephone and television, to the Subdivisions and their agents, successors and assigns perpetual easements as shown on the recorded plat maps of the Hidden Grove Subdivision and the Green Valley Subdivision for the sole purpose of installation, maintenance and/or repair of underground and above ground utilities to and across the Lots within the Subdivisions. Such easements shall be subject to reasonable rules and regulations governing rights of use as adopted from time to time by the Homeowners Association. No owner or occupant of any Lot shall block, hinder or interfere with the reasonable exercise of such easement rights. The owner of such easement rights shall be responsible for restoration of ground elevations and ground conditions (exclusive of vegetation) as nearly as reasonably possible to the conditions existing prior to the use of the easement.

The Declarant reserves the exclusive right to declare and grant such other additional utility easements over part or all of the property subject to an easement described in the preceding paragraph as the Homeowners Association.

There shall be a 3 foot (3') pedestrian access easement across the front of all Lots that corresponds with the sidewalks and driveways.

Section 16 – Assessments and Enforcement

- a) **Regular and Special Assessments:** The Board of Directors, acting on behalf of the Homeowners Association, shall have the authority and right to levy regular and special assessments upon all Lot owners as hereinafter provided for the purposes of:
- i. effecting a regular program of maintenance;
 - ii. creating a reasonable reserve fund for payment of future repairs;
 - iii. enforcing any of the provisions of this document against any person or entity;
 - iv. and for the payment of the expenses of administration of the Homeowners Association and the Board of Directors, including accountant fees and the cost of liability insurance for the Homeowners Association and the Board of Directors.

Such assessments shall become a lien upon the Lot owner's real property. All assessments levied by the Homeowners Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Subdivisions and for the improvement and maintenance of the Common Areas. The Board of Directors, on its own motion or upon petition of any member, may declare a need to repair or perform maintenance apart from any regular program adopted by the Board of Directors, and may also declare a need to enforce the provisions of this Declaration. The Board of Directors may levy a special assessment to defray the costs of the need as provided herein. The Board of Directors may fix the annual assessment upon a monthly, quarterly or annual basis. The individual Lot owner shall be responsible for payment of costs for individual use of electricity as well as individual security lighting that may benefit the Common Area, water, gas, telephone, television, sewer and garbage collection in connection with their use and occupancy of their homes.

- b) **Special Assessment for Capital Improvements:** In addition to the monthly, quarterly or annual assessments authorized above, the Homeowners Association may levy a special assessment, for the purpose of defraying, in whole or in part, the cost of any maintenance,

construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto.

- c) Reserve Account and Assessment for the Reserve Account: There is hereby established the Hidden Grove/Green Valley Homeowners Association reserve account for the maintenance, repair and/or replacement of items of Common Areas. The items of common property which require the creation of a reserve account will normally require replacement in more than three (3) and less than thirty (30) years. Items of common property for which the reserve account is established include streets, fencing, clubhouse, swimming pool, playground, tennis court, basketball court, playing fields, recreational vehicle storage area, mini storage area, Green Valley park and other common property which the Board of Directors may identify from time to time as requiring maintenance, repair and/or replacement.

The sum of ten dollars (\$10.00) per month shall be the minimum assessment against each Lot for the reserve account for the maintenance, repair and/or replacement of common property. The Board of Directors shall adjust the amount of the payments at regular intervals to reflect changes in current replacement costs over time. This sum shall come out of the Lot owner's regular assessment, and the regular assessment shall be adjusted to allow this reserve sum.

Assessments paid into the reserve account are the property of the Homeowners Association and are not refundable to sellers or owners of Lots. The sellers or owners of Lots may treat their outstanding share of the reserve account as a separate item in their sales contract.

This Declaration does not prohibit investment of reserve funds.

- d) Uniform Rate of Assessment: Both regular periodic assessments and any special assessments must be fixed at a uniform rate for all Lots and may be collected monthly, quarterly or annually at the discretion of the Board of Directors. Such assessments shall be made by providing notification of the same to each Lot owner of record. Notification to Lot owners shall be deemed made upon deposit of such notification in the U.S. mail, with postage prepaid or emailed (if Lot owner has consented to receipt of notices by email) to the Lot owner. Such assessment shall be deemed made upon such notification. Upon such notification, such assessments shall be a charge and a continuing lien on the Lot to which they are made, and shall remain a lien on the Lot until paid or foreclosed. Each such assessment shall also be the personal obligation of the Lot owner(s) of each Lot assessed at the time such assessment was made. Any common profits of the Homeowners Association shall be distributed equally between the Lots in the Subdivisions or shall be credited or applied to future assessments as determined by the Board of Directors.
- e) Effect of Nonpayment of Assessments: All assessments shall be due on the thirtieth (30th) day following the date the notification of such assessment is made. Any assessment not paid when due is delinquent. If not paid within thirty (30) days after being due, each assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and there shall be a \$25.00 late charge for each month that said assessments are not paid to cover the administrative expenses of keeping books and

billing for the same. Such late charge may be changed from time to time by the Board of Directors with notice to the Lot owners. If assessments are not paid within one hundred and twenty (120) days after being due, such assessments, and the lien and obligation to which they are related, may be enforced in the name of the Homeowners Association in the manner provided by law with respect to debts at law and/or liens upon real property, including the right of foreclosure and sale in equity, but only after notice of assessment is recorded in the county records of Jackson County, Oregon. In the event of any such enforcement, the Lot owners at the time the assessment was made shall personally be liable for all expenses, late fees, interest, costs, legal fees and disbursements therein, including any of the same incurred on appeal. The Lot to which any such enforced assessment relates shall similarly be liable for expenses, late fees, interest, costs and disbursements and attorney fees, including all appeals. The owner of any such assessed Lot shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No owner may waive or otherwise escape liability for assessments provided herein by nonuse or abandonment of any Lot or property.

Late fees assessed as a result of late payment may be forgiven at the discretion of the Homeowners Association. Lot owners who wish to appeal late fees may present their appeals to the Board of Directors in writing.

- f) Subordination of the Lien to Mortgages: The lien of any assessment provided for herein or created hereby shall be inferior and subordinate to the lien of any and all mortgages and trust deeds now or hereafter placed upon any Lot or any part thereof.
- g) Exempt Property: The following property subject to this Declaration is exempt from assessments which may be created hereunder.
 - i. The properties dedicated to and accepted by any public authority.
 - ii. All properties owned by the Homeowners Association, if any.
- h) Foreclosure of Liens for Unpaid Common Expenses: In any suit brought by the Homeowners Association to foreclose a lien on a Lot because of unpaid common expenses, the Lot owner shall be required to pay reasonable rent for the use of the Lot during the pendency of the suit, and the plaintiff in such foreclosure suit shall be entitled to the appointment of a receiver to collect such rent. The Board of Directors, acting on behalf of the Homeowners Association, shall have the power to purchase such Lot at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to convey, or otherwise deal with the Lot. A suit or action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing the liens securing the same. The Lot owner shall pay all costs including attorney's fees.
- i) Compliance Enforcement: The Board of Directors, acting on behalf of the Homeowners Association, shall have the power in its discretion to perform any obligations of any Lot owner(s) required by this Declaration. Such performance may be accomplished by any person(s) designated by the Board of Directors. Such performances shall not occur until the Board of Directors has provided written notification of such obligation to the owner(s) of the Lot in question with request that such obligation be performed within not less than thirty (30) days of such notification and providing an opportunity to be heard by the Board of Directors. Such notification shall be deemed given when deposited in the

U.S. mail, addressed to the owner(s) at their last known address, certified mail, return receipt requested, with postage prepaid. Such performances by or at the direction of the Board of Directors shall not occur until such owner has failed to perform such obligation within the time provided.

- j) Enforcement of Non-Payment and Non-Compliance: Per ORS 94.630, the following resolution process shall be used prior to litigation except in the case of collection action for nonpayment of assessments.
- i. Subject to paragraph (vi) of this subsection, before initiating litigation or an administrative proceeding in which the Homeowners Association and an owner have an adversarial relationship, the party that intends to initiate litigation or an administrative proceeding shall offer to use any dispute resolution program available within the county in which the planned community is located that is in substantial compliance with the standards and guidelines adopted under ORS 36.175. The written offer must be hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Homeowners Association for the other party.
 - ii. If the party receiving the offer does not accept the offer within ten (10) days after receipt by written notice hand-delivered or mailed by certified mail, return receipt requested, to the address contained in the records of the Homeowners Association for the other party, the initiating party may commence the litigation or the administrative proceeding. The notice of acceptance of the offer to participate in the program must contain the name, address and telephone number of the body administering the dispute resolution program.
 - iii. If a qualified dispute resolution program exists within Jackson County and an offer to use the program is not made as required under paragraph (i) of this subsection, litigation or an administrative proceeding may be stayed for thirty (30) days upon a motion of the non-initiating party. If the litigation or administrative action is stayed under this paragraph, both parties shall participate in the dispute resolution process.
 - iv. Unless a stay has been granted under paragraph (iii) of this subsection, if the dispute resolution process is not completed within thirty (30) days after receipt of the initial offer, the initiating party may commence litigation or an administrative proceeding without regard to whether the dispute resolution is completed.
 - v. Once made, the decision of the court or administrative body arising from litigation or an administrative proceeding may not be set aside on the grounds that an offer to use a dispute resolution program was not made.
 - vi. The requirements of this subsection do not apply to circumstances in which irreparable harm to a party will occur due to delay or due to litigation or an administrative proceeding initiated to collect assessments, other than assessments attributable to fines.

- k) Assessment of Non-Compliance Enforcement: The Board of Directors, acting on behalf of the Homeowners Association, shall have the power to assess the actual cost plus an additional one hundred percent (100%) of the cost as a penalty of such performance as described in Section 16 (i) against the Lot in question and the owner(s) of the Lot in question. Interest at twelve percent (12%) per annum shall be charged over and above such penalties. Such assessment shall be accomplished by delivery of notification thereof to each owner of record of the Lot in question. Such notification shall be deemed delivered and such assessment made by deposit of such notification in the U.S. Mail, addressed to the last known address of each owner, certified mail, return receipt requested with postage prepaid. Such assessment shall constitute a charge on the Lot and will be a continuing lien on the Lot upon which the assessment is made. Each assessment, together with accruing interest, costs and reasonable attorney's fees, shall also be the personal obligation of each owner of the Lot at the time of such assessment. Such assessment will remain a lien on the lot until paid or foreclosed.

ARTICLE VI

HOMEOWNERS ASSOCIATION OWNERSHIP

Declarant hereby declares ownership of the Common Area as defined in Article I, Section B, a portion of which was purchased on May 23, 2006 for \$707,000.00 by a Warranty Deed recorded on May 31, 2006 and recorded in the public records of Jackson County, State of Oregon as Document Number 2006-027989. There is a 30 year Trust Deed in the amount of \$700,000.00 with an interest rate of 9% resulting in monthly payments of \$5,688.68. Said Trust Deed was recorded on May 31, 2006 in the public records of Jackson County, State of Oregon as Document number 2006-027990.

ARTICLE VII

COMPLIANCE WITH THE OREGON PLANNED COMMUNITY ACT

Notwithstanding any provisions of this Declaration that might be construed to the contrary, all activity with relationship to the Hidden Grove Subdivision, the Green Valley Subdivision and the Hidden Grove/Green Valley Homeowners Association, including but not limited to management and operation of the Hidden Grove Subdivision, the Green Valley Subdivision and the Hidden Grove/Green Valley Homeowners Association, shall be conducted in accordance with the Oregon Planned Community Act.

THE UNDERSIGNED, AS DECLARANTS, SUBSCRIBED TO AND DATED THESE
CONDITIONS, COVENANTS AND RESTRICTIONS in Central Point, Jackson County,
Oregon, IN WITNESS WHEREOF, the parties hereto set their hand and seal this _____ day of
_____, _____.

Hidden Grove/Green Valley Homeowners Association:

By: _____
Regina Nelson, President

By: _____
Michael House, Secretary

Exhibit "A"
Hidden Grove Subdivision

Beginning at a point for the southwest corner of NEW HAVEN ESTATES, PHASE II AND III, a subdivision in the City of Central Point, Jackson County, Oregon, according to the official plat thereof, now of record, said point being marked with 5/8" iron pin with cap marked "Farber PLS 2189", for the initial point of beginning; thence along the southerly boundary of said Subdivision, North 89°57'02" East 41.07 feet; thence North 89°36'12" East, 283.18 feet to the point of intersection of said southerly boundary and the westerly boundary of NEW HAVEN ESTATES, PHASE I, a subdivision, according to the Official Plat thereof, no. of record in said Jackson County; thence South 00°07'58" East along said westerly boundary, 0.32 feet to the most westerly-southwest corner of said subdivision; thence along the southerly boundary of said subdivision South 89°47'33" East 264.51 feet; thence continue along the boundary of said subdivision South 00°05'01" East 10.11 feet to a point for the northwest corner of Lot 16 of said subdivision, said point also being the northwest corner of tract as described in Instrument No. 99-23485 of the Deed Records of Jackson County, Oregon; thence South 89°47'42" East (Record South 89°47'33" East) along the northerly boundary of said tract to the northeast corner thereof; thence along the boundary of said tract, South 32°00'38" West 139.99 feet; thence South 00°09'13" East 111.03 feet; thence South 89°47'56" East 68.00 feet; thence South 51°02'49" East 9.12 feet to a point on the northerly right of way line of New Haven Road; thence along said right of way line, along the arc of a 75.00 foot radius curve to the right (the long chord to which bears South 72°13'05" West 46.31 feet) an arc distance of 47.08 feet; thence North 89°47'56" West 42.95 feet to a point on the westerly line of tract described in volume 245 page 90 of said Deed Records; thence South 00°09'13" East along said westerly line 50.00 feet to a point on the southerly right of way line of said New Haven Road; thence along said Southerly right of way line, South 89°47'56" East 52.54 feet; thence along the arc of a 75.00 foot radius curve to the right (the long chord to which bears South 70°19'46" East 50.00 feet) an arc distance of 50.97 feet; thence South 50°51'36" East 248.44 feet; thence along the arc of a 30.00 foot radius curve to the right (the long chord to which bears South 05°51'36" East 42.43 feet) an arc distance of 47.12 feet to a point on the northwesterly right of way line of Hamrick Road; thence along said northwesterly right of way line South 39°08'24" West 328.95 feet; thence along the arc of a 623.00 foot radius curve to the left (the long chord to which bears South 31°24'32" West 167.62 feet) an arc distance of 168.13 feet to a point on the westerly boundary of Tract "B" described in Instrument No. 98-30308, said Deed Records; thence North 00°09'13" West along said westerly boundary, 345.66 feet to the southeast corner of Tract "A" described in said Instrument No. 98-30308; thence North 89°47'53" West along the southerly boundary of said Tract "A", a distance of 887.96 feet; thence leaving said boundary, North 00°06'52" East 100.00 feet; thence North 31°15'32" West 35.17 feet; thence North 00°06'52" East 651.90 feet; thence North 29°32'18" East 34.60 feet; thence North 00°06'52" East 100.00 feet to a point on the northerly boundary of the aforementioned Tract "A" described in Instrument No. 98-30308 said Deed Records; thence along the boundary of said tract North 89°39'07" East 62.01 feet; thence North 00°09'30" West 101.11 feet; thence North 89°50'30" East 234.80 feet to a point on the westerly boundary of the aforementioned NEW HAVEN ESTATES, PHASE II AND III; thence South 00°05'00" East along said westerly boundary 435.44 feet to the initial point of beginning.

Exhibit "B"
Green Valley Subdivision

Commencing at the brass disc marking the northeast corner of Section 2, Township 37 South, Range 2 West of the Willamette Meridian in Jackson County, Oregon; thence North 89°59'40" West along the northerly boundary of said Section 2, a distance of 1314.21 feet to a point on the easterly right of way line of Gebhard Road as described in No. 98-26018 of the Official Records of Jackson County, Oregon; thence South 00°06'52" West along said right of way line 134.73 feet to a point on the northerly boundary of tract described in Volume 574 page 471 of the Deed Records of Jackson County, Oregon, for the initial point of beginning; thence along said right of way line North 00°06'52" East 134.73 feet to a point on the aforementioned northerly boundary of Section 2; thence continue along said right of way line, and along said northerly boundary South 89°59'40" East 20.00 feet; thence leaving said northerly boundary and continuing North 00°06'52" East continuing along said right of way line North 00°06'52" East 338.20 feet to a point on the northerly boundary of Tract "A" described in No. 98-30308 of the Official Records of Jackson County, Oregon; thence along said northerly boundary North 89°39'07" East 996.38 feet to the northwest corner of Hidden Grove in the City of Central Point, Jackson County, Oregon, according to the official plat thereof, now of record; thence along the westerly boundary of said Hidden Grove, South 00°06'52" West 100.00 feet; thence South 29°32'18" West 34.60 feet; thence South 00°06'52" West 651.90 feet; thence South 31°15'32" East 35.17 feet; thence South 00°06'52" West 100.00 feet to a point for the southwest corner of said Hidden Grove, said point also being on the southerly boundary of the aforementioned Tract "A" described in No. 98-30308, said Official Records; thence along said southerly boundary, North 89°47'53" West 662.16 feet to the most southerly southwest corner of said tract; thence continue along the boundary of said tract North 00°06'52" East 430.72 feet; thence North 89°59'40" West 355.50 feet to the initial point of beginning.

Exhibit "C"
Green Valley Subdivision Private Lot Fencing

- Materials:**
- a) 1X6 #1 Cedar Tight Knot Uprights
 - b) 4X4 Pressure-Treated Posts
 - c) 2X4 Rails
 - d) 2X4 Top Cap

Stain to be used is ICI Dulux Wood Pride
#2900.7600 Natural Cedar

Style: Good Neighbor

Maintenance: Property owners are to keep fencing in good repair.
Broken or decayed fencing must be brought up to
"new" condition in a timely manner.

Exhibit "D"
Green Valley Subdivision Perimeter Fencing

- Materials:**
- a) **1X6 #1 Cedar tight knot uprights**
 - b) **4X4 PRESSURE-TREATED POSTS**
 - c) **2X4 RAILS**
 - d) **2X4 TOP CAP**
- Stain to be used is ICI Dulux Wood Pride
02900-7600 Natural Cedar**
- Style:** **"Total Privacy" both sides**
- Maintenance:** **Property owners are to keep fencing in good
repair. Broken or decayed fencing must be
brought up to "new" condition in a timely
manner.**