

**SUPPLEMENTAL DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS  
AND RESTRICTIONS AFFECTING COLUMBIA HILLS**

COLUMBIA HILLS DEVELOPMENT COMPANY (CHDC), an Oregon Corporation, is undertaking the development of Columbia Hills, a residential community; it is hereinafter also called "Declarant." The property planned to constitute all or almost all of the Columbia Hills community was originally platted many years ago as the Hillcrest Subdivision, Parts 1, 2, 3 and 4, the parts together hereinafter called "Hillcrest." J. RICHARD RECHT, KAREN S. RECHT, DONALD GRAVESTOCK, WILLIAM and LESLEY HUNT, CHRIS NELSON by himself and dba SCAPPOOSE VENTURE, MONIKA Z. NELSON, and Hillcrest Investments, Ltd. (HIL), together with CHDC, are the owners of record of a majority of the lots in Hillcrest. CHDC has powers of attorney to act for all of these owners.

The above owners have made some property they own in the Columbia Hills development subject to certain supplemental covenants, conditions, and restrictions (the Supplemental CC&Rs) for the purpose of protecting the value and enhancing the desirability of such property. These Supplemental CC&Rs were duly adopted upon an affirmative vote by all of the owners and filed along with by laws in the records of Columbia County on September 6, 1994 as Document 94-08582. Other parcels have subsequently been made subject to the Supplemental CC&Rs. These CC&Rs include a provision whereby the Members upon a two-thirds affirmative vote may amend them and the Members hereby do so by adopting these amended Supplemental CC&Rs in place of the previously adopted CC&Rs.

There also exists a "Master Declaration of Protective Covenants, Conditions and Restrictions Affecting Hillcrest Subdivision Parts 1, 2, 3 and 4," an amended version of which will be recorded contemporaneously with this amended Supplemental Declaration. In addition to the general rights of property owners to adopt such supplemental covenants, conditions and restrictions, the Master Declaration specifically provides for supplemental covenants, conditions and restrictions applicable only to a portion of Hillcrest if adopted by the owners of lots within that area; the prior supplemental CC&Rs were adopted unanimously by the owners of the lots to which they applied.

The Supplemental Declaration is not intended to revoke or replace the Master Declaration; it is rather a set of supplementary rights and obligations. It sets forth rights and responsibilities of the Declarant as it develops the Columbia Hills community, the rights and responsibilities of purchasers of property in the community, and provides for the establishment of a Homeowners Association, the functions of which, among other things, are to enforce the Master and Supplemental CC&Rs, to provide for Member input into community matters, to facilitate communication between homeowners and the Declarant, and to serve as a vehicle for all homeowners in the entire subdivision to share appropriately in making decisions regarding road maintenance and repair and to collect funds therefor.

In consideration of the foregoing, the Members hereby amend the Supplemental Declaration of Protective Covenants, Conditions and Restrictions in their entirety and substitute in their place the Covenants, Conditions and Restrictions provided herein, hereinafter called the Supplemental CC&Rs, applying them to certain real property more particularly described in Article VII and hereby declare that these Supplemental CC&Rs shall, with or without reference thereto, become a part of any future conveyances and shall apply to any property described in Article VII hereafter conveyed as fully and with the same effects as if set forth at large therein.

## Preamble

WHEREAS, the Declarant and other property owners desire to provide for the preservation and enhancement of property values, amenities, and opportunities in Columbia Hills contributing to the personal and general health, safety, and welfare of existing and future residents and for the maintenance of the land and improvements thereon, and to this end desire to subject all property named in Article VII, and any such additions as may hereafter be made thereto as provided in that article, to the Supplemental CC&Rs hereinafter set forth, which is promulgated for the benefit of said property and each owner thereof;

WHEREAS, to provide a means for meeting the purposes and intents herein set forth and the intents and requirements of the County of Columbia, the Declarant shall incorporate under the laws of Oregon the Columbia Hills Homeowners Association; and

WHEREAS, the Hillcrest Subdivision plats predate establishment of The Planned Community Act (ORS 94.550, et seq. or its successor statute) and the Declarant intends the area described in Article VII to be a de minimus planned community according to ORS 94.570 (or its successor statute);

NOW, THEREFORE, the property described in Article VII, including any such additions thereto as may hereafter be made pursuant to that article, is and are and shall be held, transferred, sold, conveyed, and occupied subject to the rights, obligations, covenants, conditions, restrictions, easements, and liens hereinafter set forth.

## ARTICLE I: DEFINITIONS

**Section 1.** “**Lot**” shall mean a lot in Hillcrest. “**Parcel**” shall mean a homesite subject to these CC&Rs, usually consisting of a group of Hillcrest Lots tentatively bound together as designated by Declarant or permanently bound together by a recorded instrument. However, each lot subject to these CC&Rs that has not been bound together as part of a larger Parcel shall be a Parcel in itself. “**Annexed Parcels**” shall mean Parcels that are made subject to these Supplement CC&Rs in addition to those specified as initially subject to them.

**Section 2.** “**Association**” shall mean the Columbia Hills Homeowners Association and its successors-in-interest and assigns. “**Board**” shall mean the Board of Directors of the Association. “**Bylaws**” shall mean the Bylaws of the Association then in effect. “**Governing Documents**” shall mean these Supplemental CC&Rs, the Master CC&Rs, the Articles of Incorporation of the Association and the Association Bylaws, all as recorded, and as may be duly amended from time to time along with written statements of policies and procedures and design and landscape standards duly adopted from time to time. “**Member**” shall mean a member of the Association, which shall consist of owners of Parcels, including the Declarant. “**Member Control**” shall mean the situation where the Declarant’s entitled number of votes is less than 10 percent of the total entitled votes of the Members or when CHDC notifies the Association that it wishes Member Control to occur, whichever occurs first. “**Written Affirmation of the Members**” shall mean the approval by signatures of the Members (or Homeowners) representing two-thirds (2/3rds) of the votes in the form specified in the Bylaws. “**Homeowner**” shall mean the owner(s) of a home built anywhere in the Hillcrest Subdivision.

**Section 3.** “**Roads**” shall mean privately constructed (presumably by the Declarant or other Hillcrest property owners,) and privately maintained improvements intended for public use on platted rights-of-way or easements, including parking areas and paths. “**Maintenance**” shall include repair, replacement, reconstruction and improvements of the **Roads**.

**Section 4.** “**Assessments**” shall mean those charges levied to fund expenses. “**Road Assessments**” shall mean Assessments levied upon Homeowners for the Maintenance of the Roads. “**Operations**

**Assessments**” shall mean Assessments derived upon Members for the Operations of the Association **“Operations”** shall mean enforcing and administering the Governing Documents, excluding Maintenance of the Roads.

## ARTICLE II: COLUMBIA HILLS HOMEOWNERS ASSOCIATION

**Section 1. Organization.** The Columbia Hills Homeowners Association was perfected by the filing of Articles of Incorporation with the Oregon State Department of Commerce.

**Section 2. Name.** This Association shall be known as the Columbia Hills Homeowners Association.

**Section 3. Powers.** Without limiting the generality of the foregoing, the Association shall have the power to:

- (a) Adopt and amend the Bylaws and rules of the Association;
- (b) Adopt and enforce policies and procedures, including landscaping and design standards;
- (c) Adopt and amend budgets for income and expenditures of the Association;
- (d) Levy on and collect Assessments from Members;
- (e) Enter into contracts and incur liabilities;

(f) Institute, defend or intervene in litigation, arbitration or administrative proceedings in its own name on behalf of itself or on behalf of one or more Members on matters affecting the Parcels; but no such activity may be undertaken by the Association where attorneys’ fees necessary to prosecute the case are estimated to exceed \$8,000, unless approved by the Members holding a majority of the votes in attendance at a duly called meeting for that purpose. The \$8,000 limit shall be adjusted for inflation according to the percentage change in the Consumers’ Price Index (CPI-U, Portland) with the base being June 1994 (when it was 147.7) and the increase period being to the latest date for which the CPI-U Portland is available. If the CPI-U Portland index is no longer available, then the most comparable figure shall be used.)

(g) Provide, should it choose, for the indemnification of its officers and Board of Directors and maintain liability insurance for directors and officers;

(h) Acquire and hold in its own name any right, title or interest to real, personal property or other property;

(i) Execute, acknowledge, deliver and record on behalf of the Association and its Members, easements, liens, fee title and other similar interests.

(j) Enforce the Governing Documents; and

(k) Exercise any other powers necessary and proper for the operation and administration of the Association.

**Section 4. Membership.** The owner of a Parcel shall be a Member of the Association. The Declarant’s membership, and its voting rights, shall pertain to any Parcels owned by Declarant and any for which the Declarant has a Power of Attorney to develop and/or sell the property.

**Section 5. Dissolution of Association.** In the event the Association is at any time dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name unless dissolution is accompanied by conveyances of any remaining Association property and rights to a municipal subdivision of the State of Oregon.

**Section 6. Association Bylaws.** A revised version of the Bylaws of the Association are being voted on and , if passed, recorded contemporaneously with these amendments to the Supplemental CC&Rs.

**Section 7. Architectural Review.** There is hereby created an Architectural Review Committee which shall have the functions specified herein and in the Bylaws and shall operate as provided for in the Bylaws.

### ARTICLE III: VOTING RIGHTS

**Section 1. Votes.** Members shall be entitled to vote on behalf of each Parcel in which they hold the interest required herein for membership as then shown in the records of the Columbia County Tax Collector, for which they have a signed proxy or which they control as Attorney-In-Fact. A Member shall have one vote for each Parcel. If interests in any Parcel are jointly held or held in common and the holders of such interests disagree, then the majority vote of that Parcel shall be deemed cast with the majority of the interest in that Parcel; if the vote of the interest in that Parcel is evenly divided, then the vote of that Parcel shall be deemed cast with the prevailing vote of all other Parcels. An institutional lender may choose to require it's concurrence in any written votes. It may do so by recording the requirement in the records of Columbia County and then providing a copy with the County clerk's verification, to the Association, by certified mail return receipt requested.

**Section 2. Suspension of Voting Rights.** The voting rights of any Member may be suspended by action of the Board if such Member shall have failed to pay when due any Assessment duly imposed by the Association on the Parcel held by the Member. Such suspension shall not be deemed a suspension of membership.

### ARTICLE IV: COVENANTS AND USE RESTRICTIONS

In addition to the covenants and use restrictions specified in the Master CC&Rs, the following covenants and use restrictions shall apply to the Parcels. Except as otherwise provided, enforcement of the following covenants and use restrictions shall be as provided in the Enforcement Section of the Master CC&Rs.

**Section 1. Solid Waste Collection.** All Homes shall subscribe to and use a solid waste collection and disposal service or, if the unit is rented, be responsible for the tenant doing so. Trash, garbage, and other waste, other than composting, shall not be kept on any Parcel except in sanitary containers. No solid waste incinerators indoors or outdoors shall be kept or allowed on any Parcel or Lot.

**Section 2. Metal Fences.** No metal fence, including cyclone or wire fencing, shall be put in place on a Parcel without approval of the Board of the Association or its designated Architectural Review Committee. A metal fence may not be for the purpose of establishing the boundary and may not be closer to the road than the foremost part of the house. It should be coated and colored so as to diminish its visual intrusion. However, the Declarant (unless Member Control exists), the Association, or the provider of a utility service may use such fencing, but with consideration for the visual impact on any adjacent Parcels. Such consideration shall include listening to any proffered advice from the Board or its designated Architectural Review Committee.

**Section 3. Parcel Boundary.** No Parcel shall be subdivided into two or more Parcels without Board approval. Lot line adjustments are permissible if allowed by Columbia County. Two or more Parcels may be combined into a single Parcel, however, provided that the Parcels are bound into a single Parcel by a recorded instrument irrevocable without Board approval. In such cases, the Parcel Owner of the surviving parcel shall have one (1) vote and that Parcel shall be assessed as a single Parcel. Notwithstanding the above, however, a Member

whose Parcel is located outside the Hillcrest Subdivision shall have the right to divide that property into smaller Parcels in the manner provided in the Columbia County Zoning Ordinance then in effect, unless otherwise provided as a condition of annexation by the Board. Each of these lots shall become a Parcel at the time the land division becomes effective.

**Section 4. Architectural Control.** No building, outbuilding, or other structure shall be commenced or erected upon any Parcel, nor shall any exterior addition to be made, until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same have been approved by the Architectural Review Committee as provided in the Bylaws. Declarant shall be the Architectural Review Committee until Member Control commences, or until Declarant relinquishes control of the architectural review process, whichever occurs first. Approval shall not be unreasonably withheld.

**Section 5. Maintenance of Parcels and Homes.**

**(a) Owner Obligation.** Columbia Hills is intended to be an attractive and high value residential community so that Members can make substantial investments in their homes with assurance that their investments will not be undermined by unattractive surroundings. To maintain its attractiveness and value, Parcels need to be maintained in an attractive and value-enhancing condition. Therefore, the owner of each Parcel covenants to the Declarant and to the other Parcel owners to maintain that Parcel (including any improvements thereon) in such good and attractive condition as needed to contribute to the attractiveness of the immediate neighborhood and of the Columbia Hills community.

**(b) Board Obligation.** It shall be the obligation of the Board and, unless Member Control exists, the Declarant to inform any owner when the owner's Parcel is in such condition that it detracts from, rather than protects and enhances, the value of other Parcels and any improvements thereon.

**(c) Failure to Maintain.** There may be times when the Notice per Section 5(b) does not achieve its purpose. In such event, the Association may repair or restore a Parcel to an attractive condition. Therefore, failure to maintain a Parcel in an attractive condition shall be adequate cause for the Association to impose an Assessment as provided in Article V adequate to fund restoration of the Parcel.

**Section 6. Lessees and Other Invitees.** Lessees, invitees, contractors, family members and other persons entering on Columbia Hills Parcels or Common Property under rights derived from an owner of any Parcel shall comply with all of the provisions of these CC&Rs. The owner extending permission to others shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same effect as if the failure had been committed by the owner.

**Section 7. Landscape Design Standards.** The Association may require some or all Parcels to have certain improvements made and maintained in accordance with design standards established by the Association. The initial expense (not including maintenance) of the improvements being adopted (as well as those previously required per this section) may not exceed \$250 for any Parcel; improvements costing up to \$500 may be imposed, but only upon Written Affirmation of the Members. (These amounts shall adjusted for inflation in the manner set forth in Section 3-f). Standards, once imposed, may be terminated by the Association only upon Written Affirmation of the Members

**Section 8. View Easements and Tree Retention.** The Declarant may from time to time reserve by recorded covenant for the benefit of itself, the Association and/or named owners of Parcels and their successors view easements across specified Parcels owned by Declarant in order to increase and maintain the value of the Parcels. The Declarant may similarly reserve by recorded covenant for the benefit of itself, the Association, and/or named owners of Parcels and their successors the preservation of trees on specified Parcels owned by Declarant in order to maintain and increase the attractiveness of the setting and the value of the Parcels in Columbia Hills, including specifically the attractiveness and value of nearby Parcels. The beneficiary(ies), whether the Declarant, the owner of the named benefiting Parcel(s) and/or the Association, shall thereafter have the right to enforce such reserved view easement or tree retention rights.

**Section 9. Easements.**

**(a) Easement for Performance of Obligations.** There are hereby reserved in favor of both the Declarant and the Association such easements over all or any portion of the Parcels as are necessary to perform the duties and obligations of the Association and the Architectural Review Committee as set forth in the Governing Documents or any Association policies and procedures, including, but not limited to, the right of access at reasonable hours over any Parcel (excluding the interior of any dwelling) and to any improvements being built thereon.

**(b) Utility Easements** Declarant reserves for itself and the Association the easements adjacent to Parcel boundaries, as set forth in the subdivision plot and the Master CC&Rs, for street, parking and path easements. Notwithstanding the above, Declarant may dedicate a portion of an easement for a septic field or its required setback area and, at its option, make the other easements subordinate to such an easement.

**Section 10. Utilities.** If a common sewage system and/or common water system is provided, then upon Written Affirmation of the Members that all Parcels with homes utilize such service, if available, all such Parcels shall do so. The South County Water Improvement District has been created to have the potential to provide water for Parcels in Columbia Hills; if water is available from said District, it shall be used and paid for by the Members and no further Written Affirmation shall be required.

**ARTICLE V: EXPENSES AND ASSESSMENTS**

**Section 1. Road Assessments.** The Association shall sponsor a process whereby Members levy upon themselves Assessments adequate to fund the maintenance of the Roads. If any homeowners in the Hillcrest Subdivision are not subject to these CC&Rs but use roads maintained by the Association, they shall be included in the definition of Member for Sections 1, 2, and 4 of this Article.

(a) The assessments shall be levied on all Members that use the Roads and all such Members shall vote on all matters affecting Road Maintenance and budgeting therefor.

(b) Notwithstanding the above, Members shall not vote on matters of Maintenance of Roads and budgeting therefore for Roads for which they are not Assessed. More specifically, Members using Callahan Road and therefore not paying Road Assessments may not vote on matters affecting road maintenance and budgeting. As set forth in the Master CC&Rs, Assessments for Maintenance of the Roads may not be levied on Members using Callahan Road for access, except for appropriate amounts for Maintenance of parking areas and paths.

(c) The component of the annual Assessments designated for the Maintenance of the Roads shall be levied, collected, and used only for that purpose;

(d) The Association shall not defer Maintenance to the detriment of the Roads.

**Section 2. Capital Facility Funds.** If the Members determine that certain Road Maintenance will be required, that it would most efficiently be undertaken in one fiscal year, and that the Assessments required are sufficiently large that they should be spread over more than one year, the Association may establish a capital facility fund and collect Assessments over up to three years prior to the year in which the Maintenance is to be undertaken.

**Section 3. Operations Assessments.** The Association shall levy an annual Assessment for the Operations of the Association. Without limiting the generality of the foregoing, the expenses funded by the Assessment may include; the costs of insuring the Association, its Board, Members, and agents; the costs of enforcing and administering the Governing Documents; the costs of contract and professional services; and

provision of materials, supplies, services, and equipment necessary for the operation and administration of the Association. Operations Assessments shall be levied on and collected from every Member.

**Section 4. Assessment Differentials.** The Board shall determine the amounts of the Assessments upon each Member per the following rules.

(a) Road Assessments may be levied equally on all Members or Assessments may be levied differentially based on the differences in the benefits received. In particular, Roads in Hillcrest may be grouped by neighborhood and the Assessments for maintenance of the Roads in each neighborhood allocated to the Members with homes in that neighborhood. Declarant may and Members by their Written Affirmation may adopt a scheme for allocation of costs through differential Assessments upon the Members. If such a scheme is adopted, the procedures specified in the scheme shall be followed in its determination of Assessments, unless and until said scheme is changed by subsequent Written Affirmation of the Members.

(b) Since there exist discrepancies between Members with homes (with permits for occupancy) and Members without homes in the extent to which they benefit from the Association, the Board shall set Operational Assessments such that Members who do not own homes shall pay those Assessments at one-third (1/3) of such Assessments due from Members with homes.

**Section 5. Assessment Limitations.** Columbia Hills, and the Association, is a de minimus planned community as that term is defined in ORS 94.570. To maintain qualification for this status, until one (1) year after the Declarant no longer provides any services at less than cost to the Association, or so informs the Association, whichever shall occur first, the total annual Assessments on a Parcel shall not exceed the greater of \$360 or two percent (2%) of the value of the land comprising the Parcel as shown on the assessment rolls of the County Assessor plus the value of sewers, if any, and water systems, if any, but without regard to any structures owned by the owner of the Parcel. Notwithstanding the foregoing, the total annual assessment shall not exceed three percent (3%) of such value after the Declarant no longer provides any service at less than cost to the Association.

## ARTICLE VI: ENFORCEMENT

**Section 1. Creation of Personal Obligation and Lien.** The Owners for each Parcel, and any owner of Annexed Parcels by agreeing to be subject to these Supplemental CC&Rs, hereby covenant and the owner of each Parcel by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant to pay the Association the Assessments levied pursuant to the Governing Documents, including, without limitation, interest, costs of processing, collection and reasonable attorney's fees. The foregoing financial obligations shall be a continuing lien on the Parcel from the due date thereof. Each such lien, including interest, costs of processing, collection and reasonable attorney's fees, shall also be the personal obligation of the Member owning such Parcel at the time the lien was established.

**Section 2. Subordination to Mortgage.** Association liens shall be subordinate to the lien of any prior recorded mortgage or trust deed. However, the Association can establish its lien prior to the lien of the mortgage or trust deed if the procedure set forth for condominium associations is followed as set forth in ORS 100.450(7) (1993) or any similar statute replacing it.

**Section 3. Dispute Resolution.** When a dispute arises regarding interpretation or enforcement of the Governing Documents and it cannot be resolved informally, the procedure set forth in the Bylaws shall be the exclusive means available for legal resolution.

**Section 4. Enforcement by Member(s).** Failure of the Association to enforce any covenant or restriction herein shall not preclude any Member, especially including the Declarant, from enforcing the same at the Member's expense; however, only the Association may impose an Assessment.

**Section 5. Cumulative Remedies.** Any election by the Association to pursue any remedy for any violation of these Supplemental CC&Rs shall not prevent concurrent or subsequent exercise of another remedy for any other violation to these Supplemental CC&Rs. The remedies provided for in these Supplemental CC&Rs are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specified as specific performance available under any other applicable laws.

## **ARTICLE VII: SUBJECT PROPERTY AND ANNEXATIONS OF ADDITIONAL PARCELS**

**Section 1. Subject Property.** The real property which shall now be subject to these Supplemental CC&Rs, either by inclusion in the initial declaration or subsequently by recordation in Columbia County, is Parcels located in Columbia County and is more particularly described in Exhibit 1 attached hereto. This property shall be held, transferred, sold, conveyed, and occupied subject to these Supplemental CC&Rs. Annexed Parcels may become subject to these Supplemental CC&Rs under the process for annexation specified herein.

**Section 2. Parcels.** For property located in Hillcrest, several Lots (perhaps an average of five, though the number may vary by terrain, zoning and other factors) are expected to be joined together to form each Parcel in Columbia Hills. For property located outside Hillcrest, any tract of land otherwise defined as a lot in the Columbia County Zoning Ordinance, as may then be in effect, that is included in any Annexed Properties shall be considered a single Parcel for purposes of these Supplemental CC&Rs, unless bound together with other lots by recorded instrument to form a Parcel.

### **Section 3. Annexation (and Deannexation) of Properties.**

**(a) Annexation Generally.** Additional Parcels may be annexed to and become subject to these Supplemental CC&Rs by either of two methods provided herein. The same two methods may be used to deannex Parcels. The effect of annexation shall be to subject such annexed Parcels to the provisions of these Supplemental CC&Rs without the necessity of amending individual sections or provisions hereof.

**(b) Annexation by Declarant.** Unless Member Control exists, additional Parcels may, without further limitation, be annexed by the Declarant by recordation of a Notice of Annexation as specified below. Unless Member Control exists, the Declarant may deannex Parcels it owns or controls by the same procedure.

**(c) Annexation by Association Approval.** The owner of any Parcel who desires to subject it to these Supplemental CC&Rs shall request the same of the Association in the form for a Notice of Annexation (as specified below). Upon Written Affirmation of the Members, the owner shall record the Notice of Annexation as specified below. The owner of any Parcel who desires to deannex Parcels may seek to deannex the Parcel by the same procedure.

**(d) Effect of Annexation.** Membership in the Association shall be expanded at the Effective Date ("Effective Date" shall be the date of recording) of annexation to include the owners of Annexed Parcels and the new Member(s) shall thereafter have the rights and obligations herein established. Upon compliance with Sections 3(b) or 3(c) of this Article, whichever applies, and recordation of a Notice of Annexation in the form specified below, these Supplemental CC&Rs shall apply to the Annexed Parcels in the same manner as if such Annexed Parcels had originally been subject to these Supplemental CC&Rs and had originally constituted a portion of the Parcels; and thereafter, the rights, privileges, duties and liabilities of the Members and the burdens and benefits of the land shall be the same as though the Annexed Parcels had originally been subject to these Supplemental CC&Rs.



**(e) Effect of Deannexation.** Membership in the Association shall be decreased at the Effective Date of deannexation to exclude the owner(s) of the deannexed Parcel(s) and the former Member(s) shall no longer have the rights and obligations herein established. Upon compliance with Sections 3(b) or 3(c) of this Article, whichever applies, and recordation of a Notice of Deannexation in the form specified below, the deannexed Parcels shall no longer be considered part of the Parcels, and these Supplemental CC&Rs shall, from the date of recordation of the Notice of Deannexation, no longer apply to the deannexed Parcels in the same manner as if such deannexed Parcels had never been subject to these Supplemental CC&Rs; and thereafter, the rights, privileges, duties and liabilities of the Members and the burdens and benefits of the land shall no longer apply.

**(f) Notice of Annexation (or Deannexation).** The Notice of Annexation shall contain at least the following provisions:

- (1) Reference to these Supplemental CC&Rs (or as subsequently amended), which shall include the date of recordation hereof and the document number where these Supplemental CC&Rs are recorded;
- (2) A statement that the provisions thereof shall apply to the Annexed (or no longer apply to the Deannexed) Parcel as set forth herein;
- (3) A legal description of the Parcel to be annexed (or deannexed);
- (4) A statement that the annexation (or deannexation) is pursuant either (i) to the right of Declarant per Section 3(b) above or (ii) to the right of the Association per Section 3(c) above.

**(g) Assessments on Annexed (and Deannexed) Parcels.** The owner of an Annexed Parcel shall be subject to assessments pro rated for the balance of the fiscal year in which the Notice of Annexation is recorded, and shall not be liable for the portion of Assessments prior to that date. The owner of a deannexed Parcel shall be subject to assessments pro rated for the portion of the fiscal year prior to the date the Notice of Deannexation is recorded, and shall not be liable for the portion of Assessments after that date.

## **ARTICLE VIII: MISCELLANEOUS PROVISIONS**

**Section 1. Amendment and Repeal.** These Supplemental CC&Rs, or any provision thereof, shall run with and bind the Properties, for an initial period of twenty (20) Years (the "Initial Period") after which they shall be automatically extended for successive periods of ten (10) years. These Supplemental CC&Rs may be amended or repealed by Written Affirmation of the Members, except that any such amendments may not make any changes that limit the rights of the Declarant without its written agreement. The procedure for voting on amendments shall be as set forth in the Bylaws.

**Section 2. Recording.** If an amendment to the Supplemental CC&Rs or to the Bylaws is approved as set forth in the Bylaws, it shall be recorded in Columbia County, with the effective date being the date of recording. The recording must take place at a date such that any signatures of the Members required have occurred within the prior 90 days.

**Section 3. Activities of Declarant and Homeowners.** Declarant is undertaking to construct improvements in Hillcrest. Completion of this work is essential to establishment of and benefit to the Parcels and their owners as a residential community. Notwithstanding the covenants contained herein, for as long as development may take, Declarant reserves to itself such rights as are necessary to:

- (1) Do whatever is reasonably necessary in connection with the foregoing;

(2) Erect on Lots owned by Declarant and on any easements reserved under these Supplemental CC&Rs and under the Master CC&Rs such structures and improvements, temporary or permanent, and to use such vehicles and equipment as may reasonably be necessary to the conduct of its business; and/or

(3) Place such signs as are needed by Declarant for sale, lease or disposition on property owned by Declarant.

Any Parcel owner shall have the right, notwithstanding anything contained herein, to construct a home as approved by the Architectural Review Committee and use such vehicles and equipment as are deemed reasonably necessary for the project, all without interference from other Parcel owners.

**Section 4. Mortgage Regulation Compliance.** The Declarant, unless Member Control exists, and the Association shall have the right to Amend the Governing Documents in order to comply with the requirements of the Federal Housing Administration, the Veterans' Administration, the Farmer's Home Administration, 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 a corporation wholly-owned, directly or indirectly, by the United States of the State of Oregon which insures, guarantees or provides financing for construction of homes or otherwise regulates sales of the Parcels.

**Section 5. Special Declarant Rights.** Declarant shall have the following Special Declarant Rights:

- (1) To annex or deannex additional Parcels as provided in Article VII, Section 3(b);
- (2) To hold easements for performance of obligations as provided in article IV, Section 9(a) and nonexclusive easements over all the paths and parking areas as provided in Article IV, Section 9(b);
- (3) To amend the Governing Documents as provided in Article VIII, Section 4;
- (4) To participate in architectural control as provided in Article IV, Section 4;
- (5) To adopt a scheme for differential Road Assessments as provided in Article IV, Section 4(a);
- (6) To require landscaping and/or improvements as provided in Article IV, Section 7; and
- (7) To undertake development activities as provided in Article VIII, Section 3.

**Section 6. Construction; Severability; Plural; Gender; Number; Captions.** The Governing Documents shall be liberally construed as an entire document to accomplish the purposes hereof. Nevertheless, each provision of these Supplemental CC&Rs shall be deemed independent and severable, and the invalidation or partial invalidation of any provision by a court of competent jurisdiction shall not affect the validity or enforceability of any part and all of the remaining provisions. As used herein, the singular shall include the plural and the plural and the singular, and the masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All numbers and captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Supplemental CC&Rs.

IN WITNESS WHEREOF, this SUPPLEMENTAL DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING COLUMBIA HILLS is made as of

\_\_\_\_\_.

COLUMBIA HILLS DEVELOPMENT COMPANY

By: \_\_\_\_\_  
J. Richard Recht  
President

For all the lots each of them owns in each Parcel of Hillcrest Subdivision Parts 1, 2, 3 and 4 as shown on Exhibit 1 hereto, the undersigned landowners do hereby vote in favor of this amended Supplemental Declaration of Protective Covenants, Conditions and Restrictions dated as of the date above stated:

COLUMBIA HILLS DEVELOPMENT  
COMPANY, an Oregon corporation

J. RICHARD RECHT

By \_\_\_\_\_  
J. Richard Recht, President

\_\_\_\_\_ J. Richard Recht

WILLIAM AND LESLEY HUNT

By: COLUMBIA HILLS DEVELOPMENT COMPANY, an Oregon corporation,  
as Attorney-in-Fact under Irrevocable Power of Attorney and Proxy dated 6/11/87 for WILLIAM AND LESLEY HUNT and recorded on 6/1/94 at Fee No. 94-05386 of the Columbia County Records.

DONALD GRAVESTOCK

By: COLUMBIA HILLS DEVELOPMENT COMPANY, an Oregon corporation,  
as Attorney-in-Fact under Irrevocable Power of Attorney and  
Proxy dated 6/11/87 for DONALD GRAVESTOCK and recorded on  
6/1/94 at Fee No. 94-05386 of the Columbia County Records.

By \_\_\_\_\_  
J. Richard Recht, President

ACKNOWLEDGMENT

STATE OF CALIFORNIA )  
 ) ss.  
County of \_\_\_\_\_)

On this \_\_\_\_\_ day of August, 1995, before me, \_\_\_\_\_, a Notary Public of the State of California, duly commissioned and sworn, personally appeared J. RICHARD RECHT, personally known to me, and also known to me to be the President of COLUMBIA HILLS DEVELOPMENT COMPANY, on his own behalf, on behalf of said company itself and on behalf of said company as Attorney-in-Fact for ARTHUR C. NELSON, WILLIAM AND LESLEY HUNT, SCAPPOOSE VENTURE/SCAPPOOSE PARTNERS, MONIKA ZIMMERMAN (NELSON), DONALD GRAVESTOCK, and KAREN S. RECHT and acknowledged the foregoing Supplemental Declaration of Protective Covenants, Conditions and Restrictions dated as of August \_\_\_\_\_, 1994, as his, its and their voluntary act and deed.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
My commission expires: \_\_\_\_\_

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