

CC&R and BY-LAWS PROJECT UPDATE

Some Articles in our original Covenants, Conditions, and Restrictions document have become outdated and require updating to reflect current laws and practices. Updating the articles requires a process that will span the next six or seven months before *any* action can occur. The following tasks will proceed through this process: 1) identify those items requiring updating, 2) suggest updated language, 3) have all suggested items reviewed by the Association's attorney, and 4) submit the updates to all Association members for review. 5) The last step requires the proposed updated language to be reviewed and approved by seventy-five percent (75%) of the Association's membership. At all meetings of members, each member may vote in person or by proxy.

1. EXISTING CC&R LANGUAGE

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessments which are not paid when due shall be delinquent. If the monthly maintenance assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of initial delinquency at the per annum rate of interest which is equal to two percent (2%) over the prime rate of interest quoted by First Interstate Bank of Oregon, N.A. as its prime rate or, if no such rate is so designated, the minimum charged by the bank for commercial loans of 90-day maturities to substantial and responsible commercial and industrial borrowers; provided, however, that the assessment shall bear a minimum interest charge of Two Dollars (\$2.00). The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of the member's lot.

ATTORNEY ADVISED LANGUAGE

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Assessments not paid when due shall be delinquent. Any assessment not paid within 30 days after the due date shall be assessed a penalty consistent with a policy and rule adopted by the Board of Directors of the Association. Such penalty shall not exceed ten percent (10%) of the assessment. A penalty fee shall be added for each month any assessment is delinquent. The Association shall be entitled to perfect a lien against any owner's property that is the subject of a delinquent assessment. The Association may also pursue any available legal remedy to collect delinquent fees or assessments, and shall be entitled to recover as part of any legal process the Association's reasonable legal fees and expenses incurred in collection of such delinquent amounts. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of the member's lots.

2. EXISTING CC&R LANGUAGE

ARTICLE VII

GENERAL PROVISIONS

Section 6. Insurance. The owner of every building located upon any part of said property shall at all times cause the same to be insured with broad form fire and extended coverage insurance for the full replacement value thereof under the terms and provisions of a group or blanket policy to be obtained by the Association. The Association shall have, in its sole discretion, the right to negotiate for and to obtain such insurance coverage. The Association shall assess the cost of such insurance against each owner, on a pro rata basis, and such assessment shall be a lien and be collectible and enforceable in the same manner as all other assessments provided for herein.

ATTORNEY ADVISED LANGUAGE

ARTICLE VII

GENERAL PROVISIONS

Section 6. Insurance. The Association shall at all times be insured with broad form fire and extended insurance for the full replacement value of the buildings, as well as common property and liability coverage under the terms and provisions of a group or blanket policy to be obtained by the Association. The premium for such insurance shall be a common expense of the Association and a part of the annual budget.