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AMENDED AND RESTATED DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

MILLRIDGE TOWNHOUSES

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PMT \_\_\_\_\_ CK # \_\_\_\_\_

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, is made this 7<sup>th</sup> day of November, 1989, by Millridge Homeowners Association (herein "Association"), pursuant to the provisions of the Oregon Planned Community Act.

W I T N E S S E T H:

WHEREAS, United Homes Corporation, as declarant, executed on October 23, 1969, a Declaration of Covenants, Conditions and Restrictions which was recorded October 23, 1969 in the Department of Records and Elections of Washington County, Oregon, at Book 760, page 736, which established a common pattern of development for certain land and improvements to be known as Old Mill Town Houses;

WHEREAS, L.B. Nelson Corporation, Northwest, as declarant, executed on December 4, 1974, a Declaration of Covenants, Conditions and Restrictions which was recorded December 23, 1974, in the Department of Records and Elections of Washington County, Oregon, at Book 1005, page 418, which established a common pattern of development for Lots 26 through 66, Tract "B", Mill Ridge Townhouses;

WHEREAS, Millridge Townhouse Homeowners Association was conveyed title to the Common Area in Tract A on October 23, 1969, which was recorded in the Department of Records and Elections of Washington County, Oregon, at Book 760, page 868;

WHEREAS, Millridge Townhouse Homeowners Association was conveyed title to the Common Area in Tract B on October 17, 1975, which was recorded in Department of Records and Elections of Washington County, Oregon, at Book 1053, page 12; and

WHEREAS, Millridge Townhouse Homeowners Association held a meeting on November 7, 1989, duly called for the purpose of amending the Declarations of Covenants, Conditions and Restrictions to bring said Declarations into compliance with the Oregon Planned Community Act (ORS 94.550 et seq.) and at said meeting a vote representing seventy-five percent (75%) of the total voting rights of the Millridge Townhouse Homeowners Association approved this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Millridge Townhouses.

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Millridge parcel

073002-03

1994-03-03

NOW, THEREFORE, the Association does hereby declare and provide as follows:

ARTICLE I
Definitions

When used in this Amended and Restated Declaration the following terms shall be accorded the meanings indicated:

1.1 The "Association" refers to the Millridge Homeowners Association.

1.2 "Bylaws" refers to the Bylaws of the Association.

1.3 "Common Area" refers to the real property described in Exhibit "B", attached hereto which is owned in fee simple by the Association for the common use and enjoyment of the owners.

1.4 "Common Expenses" refers to expenditures made by or financial liabilities incurred by the Association and includes any allocations to the reserve account under ORS 94.595.

1.5 "Lot" refers to any plot of land, together with all improvements thereon, shown upon any recorded subdivision map of the Properties, with exception of the Common Area.

1.6 "Owner" refers to every record owner, including a contract vendee, of a fee or undivided fee interest in every Lot within the property to which this Amended and Restated Declaration applies, except that ownership acquired and intended solely as security for the performance of an obligation which shall not constitute ownership.

1.7 "Mortgage" and "Mortgagee" refer, respectively, to a recorded mortgage, trust deed, or contract of sale and the holder, beneficiary, or vendor of such instrument.

1.8 "Planned Community" refers to the land, buildings and improvements submitted by this Amended and Restated Declaration and all easements, rights and appurtenances belonging thereto.

1.9 "Plans" refer to the plat and floor plans of Millridge Townhouses previously filed.

1.10 "Properties" refer to that certain real property described in the attached Exhibit "A".

1.11 "Roads" refer to all private roads within all platted portions of the Planned Community.

1.12 Incorporation By Reference. Except as otherwise provided in this Amended and Restated Declaration, each of the

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**ARTICLE VI**  
**The Association of Lot Owners**

6.1 Organization. An association of lot owners has been organized to serve as a means through which the Owners may take action with regard to the administration, management, and operation of the Planned Community. The name of this Association shall be the "Millridge Homeowners Association."

6.2 Membership; Board of Directors. Each Owner shall be a member of the Association. The affairs of the Association shall be governed by a Board of Directors as provided in the Bylaws.

6.3 Powers and Duties. The Association has such powers and duties as are granted to it by the Oregon Planned Community Act; including each of the powers set forth in ORS 94.630; together with such additional powers and duties afforded by this Amended and Restated Declaration or the Bylaws.

6.4 Designation of Manager. The Board of Directors of the Association may appoint a manager or managing agent for the Planned Community on behalf of the Association, and such manager or managing agent shall have complete authority to assume full control and responsibility for the management, operation, and maintenance of the Planned Community at the expense of the Association.

**ARTICLE VII**  
**Budget, Expenses and Assessments**

7.1 Budget. The Board of Directors shall, from time to time and at least annually, prepare a budget for the Association; estimate the Common Expenses expected to be incurred, less any previous overassessment; and assess the Common Expenses to each Owner in the proportion set forth in this Article. The maximum annual assessment may be increased each year by the Board of Directors at a rate not greater than the published U.S. Cost of Living Index in effect at the time of such increase. However, such assessment may be increased above said rate pursuant to the approval of a majority vote of Owners, either in person or by proxy, at a duly constituted meeting called for such purpose.

7.2 Determination of Common Expenses. Common Expenses shall include:

- (a) Expenses of administration;
- (b) Expenses of maintenance, repair, or replacement of Common Area;
- (c) Cost of insurance or bonds obtained in accordance with the Association Bylaws;

terms used herein that are defined in ORS 94.550, the Oregon Planned Community Act, shall have the meanings set forth in such section.

**ARTICLE II**  
**Name of the Planned Community**

The name by which the Planned Community shall be known is "Millridge Townhouses."

**ARTICLE III**  
**Description of the Property**

The property submitted to the Oregon Planned Community Act by this Amended and Restated Declaration is located in Washington County, Oregon, and is more particularly described in the attached Exhibit "A." The Planned Community contains a total of ninety-seven (97) Lots.

**ARTICLE IV**  
**Common Area; Common Profits and Expenses; Voting**

4.1 Common Area. A legal description of the real property included in the Planned Community which is Common Area is described in the attached Exhibit "B."

4.2 Allocation of Common Profits and Expenses. The common profits derived from and the Common Expenses of the Common Area shall be distributed and charged to the Owner of each Lot according to the following formula:

a. All expenses directly attributable to the size of the improvement located on the Lot shall be distributed and charged to the Owner of such Lot based on the ratio of the total square footage of the improvement to the total square footage of all improvements combined;

b. All expenses not directly related to the size of the improvement located on the Lot shall be distributed and charged to the Owners of all Lots equally.

4.3 Allocation of Voting Rights. Each Lot shall be allocated one vote in the affairs of the Association. The method of voting shall be as specified in the Bylaws.

**ARTICLE V**  
**Use of Property**

Each Lot is to be used for residential purposes as described in the Bylaws. Additional limitations on use are contained in the Bylaws by which all Owners are bound.

- (d) A general operating reserve;
- (e) Reserve for replacements and deferred maintenance;
- (f) Any deficit in Common Expenses for any prior period;
- (g) Utilities for the Common Area and other utilities with a common meter or commonly billed, such as trash collection, water, and sewer; and
- (h) Any other items properly chargeable as an expense of the Association.

7.3 Assessment of Owners. All Owners shall be obliged to pay Common Expenses assessed to them by the Board of Directors on behalf of the Association pursuant to this Amended and Restated Declaration. Assessments may not be waived due to limited or nonuse of Common Area. Assessments shall commence upon closing of the first sale of a Lot in the Planned Community. The Board of Directors, on behalf of the Association, shall assess the Common Expenses against the Owners, from time to time and at least annually, and shall take prompt action to collect from an Owner any Common Expense due which remains unpaid by him for more than thirty (30) days from the due date for its payment.

7.4 Capital Expenditures. In the case of making a capital expenditure (cost of construction made with the expectation of existence for an indefinite period), the Board of Directors shall give written notice to all members of the Association of its intent to pass a resolution to authorize the expense of a capital improvement to the Common Area. No vote of the Association is necessary, however, the expenditure must be approved by a vote of 75% of the Board of Directors.

7.5 Reserves. A portion of the Common Expense collected from each Owner shall be placed in an account separate from the general operating account of the Association in accordance with ORS 94.595. This separate account is to be used as a reserve account for major maintenance and replacement of the Common Area all or part of which would normally require replacement in more than three (3) or less than thirty (30) years from the time the budget is determined by the Board of Directors.

The reserve account shall be used only for the purposes outlined in this section; provided, however, that the Board of Directors may borrow funds from the reserve account to meet high seasonal demands on the regular operating funds or to meet other temporary expenses which will later be paid from special assessments or maintenance fees. The reserve account may be invested by

the Board of Directors subject to normal prudent investment standards.

Assessments paid into the reserve account shall be the property of the Association and are not refundable to sellers of Lots. Sellers of Lots may treat their outstanding share of the reserve account as a separate item in any agreement for the sale of their Lots.

7.6 Special Assessments - Capital Improvements. In the case of any duly authorized capital improvement to the Common Area as set forth in Section 7.4 herein, the Board of Directors may, by resolution, establish separate assessments for the same which may be treated as capital contributions by the Owners and the proceeds of which shall be used only for the specific capital improvements described in the resolution. However, all special assessments must be approved by at least fifty percent (50%) of the Owners before they may be implemented by the Board of Directors. Special assessments shall be collectable as regular Common Expenses, including applicable lien provisions.

7.7 Default in Payment of Common Expenses. In the event of default by any Owner in paying to the Association the assessed Common Expenses, such Owner shall be liable for late payment charge at the rate equal to the prime rate plus five percent (5%) but not to exceed the maximum lawful rate per annum on such Common Expenses from the due date thereof. In addition, the defaulting Owner shall pay any other reasonable late charge established by the Board of Directors, from time to time, together with all expenses incurred by the Association in collecting such unpaid expenses including attorneys' fees (whether or not suit is instituted, and at trial or any appeal therefrom). The Board of Directors shall have the right and duty to recover for the Association such Common Expenses together with such charges, interest, and expenses of the proceeding, including attorneys' fees, by an action brought against such Owner or by foreclosure of the lien upon the Lot granted by the Oregon Planned Community Act. The Board of Directors shall notify the holder of any first Mortgage upon a Lot of any default not cured within thirty (30) days of the date of default.

7.8 Foreclosure of Liens for Unpaid Common Expenses. In any suit brought by the Association to foreclose a lien on a Lot because of unpaid assessments, the Owner shall be required to pay a reasonable rental 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 rental. The Board of Directors, acting on behalf of the 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.

7.9 Statement of Common Expenses. The Board of Directors shall advise each Owner in writing of the amount of Common Expenses payable by him and furnish copies of each budget, on which such Common Expenses are based to all Owners and, if requested, to their Mortgagees. The Board of Directors shall promptly provide any Owner who makes a request in writing with a written statement of his unpaid Common Expenses.

7.10 Priority of Lien; First Mortgages. Any lien of the Association against a Lot for Common Expenses shall be subordinate to tax and assessment liens and any first Mortgage of record. Where the purchaser or Mortgagee of a Lot obtains title to the Lot as a result of foreclosure of a first Mortgage or by deed in lieu of foreclosure, such purchaser or Mortgagee, his successors and assign, shall not be liable for any of the Common Expenses chargeable to the Lot which became due prior to the acquisition of title by the purchaser or Mortgagee.

#### ARTICLE VIII Rights of Mortgagees

8.1 Approval Required. In addition to any other approvals required by the Oregon Planned Community Act, this Amended and Restated Declaration, or the Bylaws, the prior written approval of seventy-five percent (75%) of the holders of first Mortgages of Lots in the Planned Community (based upon one vote for each Mortgage owned) must be obtained for the following:

8.1.1 The abandonment, termination, or removal of the property from the provisions of the Oregon Planned Community Act, except when provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

8.1.2 The partition or subdivision of any Lot or of the Common Area;

8.1.3 Any material amendment to this Amended and Restated Declaration or the Bylaws;

8.1.4 Abandonment, encumbrance, sale, or transfer of the Common Area. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Planned Community shall not be deemed a transfer within the meaning of this clause; or

8.1.5 Use of hazard insurance proceeds for losses to any Planned Community property, whether to Lots or to Common Area for other than the repair, replacement, or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Lots and/or Common Area of the Planned Community.

8.2 In addition to the approvals required in § 8.1, each Mortgagee (or beneficiary of a trust deed or vendor and including guarantors) shall have the following rights:

8.2.1 Right to Examine Books and Records. All Mortgagees shall have the right to examine the books and records of the Association or the Planned Community property upon reasonable notice and at reasonable times.

8.2.2 Right to Annual Reports. All Mortgagees shall, upon request, be entitled to receive an annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association.

8.2.3 Right to Receive Written Notice of Meetings. The Association shall give all Mortgagees, upon request, written notice of all meetings of the Association, and such Mortgagees shall be permitted to designate a representative to attend all such meetings.

8.2.4 Notice in Event of Loss or a Taking. The Association shall give all Mortgagees written notice of any loss to, or taking of, the Common Area of the Planned Community, or a Lot in the Planned Community if such loss or taking exceeds \$10,000 with respect to the Common Area, or \$1,000 with respect to any Lot.

## ARTICLE IX Common Area

9.1 Ownership of Common Area. Title to the Common Area shall be conveyed to the Association prior to the conveyance of the first Lot to an Owner in the Planned Community. Each Owner shall have the right to use the Common Area pursuant to the terms hereof. Maintenance and control of the Common Area shall be pursuant to the provisions of this Amended and Restated Declaration.

9.2 Obligations of the Association. Except as stated herein, the Association shall be responsible for the exclusive management and control, maintenance and repair of the Common Area, Common Area elements and all improvements thereon, if any, and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

9.3 Owner's Easement of Enjoyment. Subject to the provisions herein and rules and regulations of the Association, Owners and their invitees shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot.



9.4 Extent of Easement. The easement of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to establish reasonable rules and to charge reasonable assessments and fees for capital expenditures on the Common Area and the maintenance and upkeep of the Common Area and payment of all Association expenses.

(b) The right of the Association to suspend the right of an Owner to use the Common Area for any period during which any assessment against the Lot remains unpaid for more than thirty (30) days after notice; the right of the Association to suspend the right of a member to use any said Common Area for a period not to exceed sixty (60) days for any other infraction of the Declaration, Bylaws or any rules adopted by the Association.

(c) The right of the Association to dedicate or transfer all or any portion of the Common Area to any public agency, authority or utility for such purpose or create utility easements under, over and through the Common Area and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless approved by seventy-five percent (75%) of the Association's Board of Directors' votes outstanding agreeing to such dedication, transfer or easement and approved by Washington County or its successor and, except as to the grant of easements for utilities and similar or related purposes, unless the holders of first Mortgage liens on any affected Lots have approved such dedication or transfer.

9.5 Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area to the occupant of his Lot or to the members of his family and to his guests subject to general regulations as may be established from time to time by the Association, Bylaws of the Association and this Amended and Restated Declaration.

9.6 Damage or Destruction of Common Area by Owner. In the event any Common Area is damaged or destroyed by an Owner or any of his guests, tenants, licensees, agents or members of his family, such Owner does hereby authorize the Association to repair said damage; the Association shall repair said damaged area in a good and workmanlike manner as originally constituted or as the area may be modified or altered subsequently by the Association in the discretion of the Association. The reasonable cost necessary for such repairs as originally constituted shall become a special assessment upon the Lot of said Owner who caused said damage.

9.7 Authority of Association to Sell or Transfer Common Area. Except as otherwise provided in this Amended and Restated Declaration, the Association may sell, convey or subject to a security interest any portion of the Common Area if 80% or more of the votes in the Association are cast in favor of that action.

The Association shall treat proceeds of any sale under this section as an asset of the Association. This article does not apply to the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Area by the Planned Community.

A sale, transfer or encumbrance of the Common Area or any portion of the Common Area made pursuant to a right reserved in this Article may provide that the Common Area be released from any restriction imposed on the Common Area by this Amended and Restated Declaration. However, a sale, transfer or encumbrance may not deprive any Lot of its right of access or support without the consent of the owner of the Lot.

#### ARTICLE X General Covenants

10.1 Right of Entry. An Owner shall grant the right of entry to the Board of Directors of the Association, managing agent, manager, or any other person authorized by the Board of Directors, in the case of any emergency originating in or threatening his Lot or other Planned Community property, whether or not the owner is present at the time. An Owner shall also permit such persons to enter his Lot for the purpose of performing installations, alterations, or repairs to any Common Area and for the purpose of inspection to verify that the Owner is complying with the restrictions and requirements described in this Amended and Restated Declaration and the Bylaws, provided that requests for entry are made in advance and such entry is at a time convenient to the Owner. Except in the case of an emergency or as stated above, no entry shall be made without the permission of the Owner unless ordered by a court of competent jurisdiction.

#### 10.2 Encroachments.

10.2.1 Pursuant to ORS 94.733, each Lot shall have an easement through the Common Area for the purpose of accommodating any present or future encroachment as a result of engineering errors, construction, reconstruction, repairs, settlement, shifting, or movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of the encroaching Lots and Common Area so long as the encroachments shall exist, and except as otherwise provided in subsection 2 of this section, the rights and obligations of Owners shall not be altered in any way by the encroachment.

10.2.2 The easement described under subsection 1 of this section does not relieve an Owner of liability in case of willful misconduct of an Owner or relieve any contractor, subcontractor, or materialman of liability for failure to adhere to the plat and floor plans.

10.2.3 The encroachments described in subsection 1 of this section shall not be construed to be encumbrances affecting the marketability of title to any Lot.

10.3 Responsibility for Maintenance. The necessary work to maintain, repair, or replace the Common Area shall be the responsibility of the Board of Directors of the Association and shall be carried out as provided in the Bylaws.

10.3.1 The Association shall be responsible for all exterior portions of the residential structures which are visible from the Common Area, including, but not limited to, roofs, gutters, down spouts, siding, painting, caulking, exterior surfaces of all doors and window frames, and sump pumps and related equipment located below the first floor of any structure. \*

Except for the exterior surfaces thereof, each Owner shall be responsible for the repair and maintenance, and/or replacement of all windows, shutters, doors and shall also be responsible for the exterior portions of the residential structures which are not visible from the Common Area. Any replacement shall be first approved pursuant to Section 11.2 hereof.

10.3.2 The exterior of common party walls located between Lots shall be maintained by the Owners of the Lots to which such party walls adjoin.

10.4 Covenant of Contribution. No Owner of a Lot may exempt himself from liability for his contribution toward the Common Expenses by a waiver of the use of, or enjoyment of any of the Common Area, or by abandonment of his Lot.

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

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

10.7 Authority to Grant Easements, Rights-Of-Way, Licenses, and Other Similar Interests. The Association shall have the authority to execute, acknowledge, deliver, and record on behalf of the Owners, easements, rights-of-way, licenses, and other similar interests affecting the Common Area. The granting of any such interest shall first be approved by at least seventy-five

percent (75%) of the Owners. The instrument granting any such interest shall be executed by the President and Secretary of the Association and acknowledged in the manner provided for acknowledgement of such instruments by such officers, and shall state that such grant was approved by at least seventy-five percent (75%) of the Owners.

## ARTICLE XI Architectural Standards

11.1 Purpose. In order to preserve the unique natural surrounding, style and quality of the Planned Community, to establish and preserve a harmonious and aesthetically pleasing design for the Planned Community, and to protect and promote the value of the Planned Community, the Lots and all improvements located thereon shall be subject to the restrictions set forth in this Article XI. Every Owner, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article XI.

11.2 Architectural Control Committee. No improvements of any nature whatsoever shall be constructed, altered, demolished, removed, added or maintained upon the exterior portion of the Lot or Common Area by the Association or any Owner unless such improvements are approved by the Architectural Control Committee in accordance with this Article XI, which shall be established by the Board of Directors. The Committee shall consist of three (3) or more members appointed by the Board of Directors. The term of office for each member shall be set by the Board of Directors. The sole right and duty of the Committee is to make recommendations to the Board of Directors which shall be the sole body for making the decisions provided under this Article. The Board of Directors upon the recommendation of the Architectural Control Committee is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors and/or attorneys in order to advise and assist the Architectural Control Committee in performing its functions.

### 11.3 Construction of Improvements.

11.3.1 All buildings, structures or other improvements (excepting sidewalks and driveways) on or with respect to any Lot and with respect to any Common Area shall be located only within applicable setback lines, if any, specified by the Board of Directors upon the recommendation of the Architectural Control Committee. Variances with respect to such setback lines may be granted in the sole discretion of the Committee. To assure that all structures will be located so that the maximum view, privacy and breeze will be available, each structure will be located taking into consideration the topography of the land, the location of the trees, vegetation and other aesthetic and environmental considerations, as well as the precise site and

location of any other structures and improvements within the Planned Community.

11.3.2 The Board of Directors, upon the recommendation of the Architectural Control Committee, may require that any contractor or subcontractor for any planned improvements within the Planned Community post payment and/or performance bonds with the Board of Directors to assure that such contractor or subcontractor shall satisfactorily complete such improvements, such bonds to be in the name of the Association and to be in form and amount satisfactory to the Board of Directors. Furthermore, the Board of Directors, upon the recommendation of the Architectural Control Committee may require that an Owner place in escrow with the Board of Directors a sum of no more than Ten Thousand Dollars (\$10,000), in order to assure the completion of all improvements, including landscaping.

11.3.3 Structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. No temporary house, shack, tent, barn or other outbuilding shall be permitted on any Lot at any time, except as otherwise provided herein or by the Board of Directors. During construction by the Association or an Owner, the Association shall require its contractors to maintain the Common Area or Lot in a reasonably clean and uncluttered condition and, to the extent possible, all construction trash and debris shall be kept within refuse containers provided by the contractor. Upon completion of construction, the Association or Owner, (as the case may be,) shall cause its contractors to immediately remove all equipment, tools and construction material and debris from the Common Area or Lot on which such construction has been completed.

11.4 Landscaping Approval. To preserve the natural appearance of the Planned Community, no landscaping, grading, excavation or filling of any nature whatsoever shall be implemented and installed by the Association or any Owner unless and until the plans therefor have been submitted to and approved in writing by the Board of Directors upon the recommendation of the Architectural Control Committee.

11.5 Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any dwelling or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither the Association nor the Board of Directors nor the Architectural Control Committee shall be responsible or liable for any defects in any plans or specifications submitted, revised or approved, nor for any defects

in construction undertaken pursuant to such plans and specifications.

11.6 Signs. The Board of Directors shall establish rules regulating the type, design and usage of all signs proposed within the Planned Community. Except as may be required by legal proceedings, no signs or advertising posters of any kind shall be permitted on any Lot or maintained upon any part of the Planned Community, except identification signs installed by the Association or those approved pursuant to rules established by the Board of Directors. After initial sale, all identification signs, unless provided by the Association, must be approved by the Architectural Control Committee before installation.

11.7 Antennae. No television antenna, radio receiver or other similar device shall be attached to or installed on any portion of the Planned Community unless contained entirely within the interior of a dwelling unit or other structure, nor shall radio or television signals, nor any other form of electromagnetic radiation be permitted to originate from any Lot; provided, however, that the Association shall not be prohibited from installing, without limitation, equipment necessary for master antennae or satellite dish, security, cable television, mobile radio or other similar systems within the Planned Community.

11.8 Construction Activities. Notwithstanding any provisions or restrictions contained in this Amended and Restated Declaration to the contrary, it shall be expressly permissible for the Association and its contractors, agents, employees, successors and assigns, to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the construction and improvement of the Common Area.

11.9 Arbitration. In the event that an internal dispute may arise among the Owners, the Association, or their agents and assigns, the parties thereto may submit such dispute to arbitration using arbitrators selected in the following manner: The party bringing forth the complaint shall choose one arbitrator, the violating party shall choose one arbitrator, and the two arbitrators chosen by the respective parties shall choose a neutral, third arbitrator. The parties to the dispute are not foreclosed from bringing an action in the courts, and if they do, the final decision entered in arbitration shall be admissible as evidence. Any party may seek enforcement of the arbitration's final decision in a court of competent jurisdiction.

## ARTICLE XII Amendment

12.1 Approval Required. The Association may amend this Amended and Restated Declaration and the plat only by vote or agreement of the owners representing seventy-five percent (75%) of

the total votes in the Planned Community. In no event shall an amendment under this article increase the number of Lots or change the boundaries of any Lot or any uses to which any Lot is restricted unless the owners of the affected Lots unanimously consent to the amendment.

12.2 Execution and Recordation. An amendment shall not be effective until certified by the President and Secretary of the Association and recorded as required by law.

IN WITNESS WHEREOF, the Board of Directors on behalf of the Association has caused this Amended and Restated Declaration to be executed this 7<sup>th</sup> day of November, 1989.

MILLRIDGE HOMEOWNERS ASSOCIATION

Kathleen H. Prichard  
President

Ann Terry Hill  
Secretary

STATE OF OREGON )  
County of Washington ) ss.

Before me this 6<sup>th</sup> day of December, 1989, appeared the above-named KATHLEEN H. PRICHARD who acknowledged that he/she is the President and the above-named ANN TERRY HILL who acknowledged that he/she is the Secretary of Millridge Homeowners Association, and that they executed the within instrument on behalf of the corporation by authority of its Board of Directors.

Before me:

Gene D. Reed  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 6-11-93

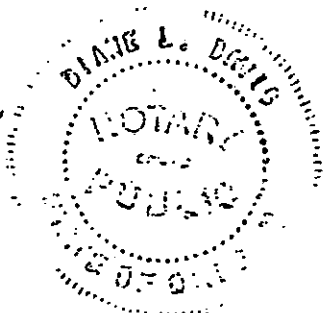


Exhibit A

Legal Description

A tract of land formerly known as "Old Mill" a duly recorded subdivision in Washington County, Oregon, now vacated, being in Section 33 T1N R1W W M Washington County, Oregon and being more particularly described as follows:

Beginning at the northwest corner of the Walter H. Haney, Joseph M. Loomis and Everett H. Lee property as recorded in book 415, page 633, Washington County, Oregon Deed Records and running thence S 89°50' E 1324.00 feet along the north line of said Haney, Loomis and Lee property to the northeast corner thereof; thence S 0°43' E 484.77 feet along the east line of said Haney, Loomis and Lee property to a point; thence N 89°48'30" W 1076.0 feet to a point; thence N 0°43' W 6.00 feet to a point; thence N 89°48' W 248.00 feet along the south line of said property to the southwest corner thereof; thence N 0°43' W 478.15 feet along the west line of said Haney, Loomis and Lee property on the center line of Northwest 143rd Avenue to the place of beginning. Said description including Mill Ridge Townhouses, a duly recorded and platted subdivision.



Exhibit B

Common Area Legal Description

Parcel 1

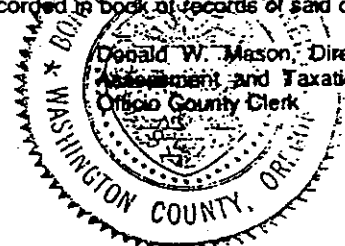
Tract A as shown on map of Millridge Townhouses. Plat recorded in Book 27, page 20 Plat Records of Washington County, Oregon.

Parcel 2

Tract B as shown on map of Millridge Townhouses, Plat recorded in Book 27, page 20 Plat Records of Washington County, Oregon.

STATE OF OREGON }  
County of Washington } SS

I, Donald W. Mason, Director of Assessment and Taxation and Ex-Officio Recorder of Conveyances for said county, do hereby certify that the within instrument of writing was received and recorded in book of records of said county.



Doc : 89060679  
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*Millridge Homeowners Assn.  
1610 1/2 W. W. 143d  
Portland, Oregon 97229*