

## DECLARATION OF COVENANTS AND RESTRICTIONS

TANGLEWOOD SUBDIVISION, KLAMATH COUNTY, OREGON

THIS DECLARATION, made this 9<sup>th</sup> day of February, 1983 by  
M.L. STEWART, INC., an Oregon Corporation; MAURICE E. BERCOT, KENNETH  
L. TUTTLE, M.D., P.C., Employees Profit Sharing and Pension Fund for  
KENNETH L. TUTTLE, and ROBERT MULLEN, hereinafter called Developer.

## WITNESSETH

WHEREAS, Developer is the owner of the real property described in Article I of this declaration and desires to create thereon a residential community with permanent common property for the benefit of said community; and

WHEREAS, Developer desires to provide for the preservation of the amenities in said community and for the maintenance of said common property; and to this end, desires to subject the real property described in Article I together with such additions as may hereafter be made thereto to the covenants, restrictions, easements, charges, and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each Owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of maintaining and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has incorporated under the laws of the State of Oregon as a non-profit corporation, THE TANGLEWOOD SUBDIVISION OWNERS ASSOCIATION, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described in Article I, and such additions thereto as may hereafter be made pursuant to Article I hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the

covenants, restrictions, easements, charges and liens hereinafter set forth.

# ARTICLE I

## PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERE TO

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the County of Klamath, State of Oregon.

Beginning at the section corner common to Sections 9, 10, 15, and 16, Township 38 South, range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 88° 54' 04" East along the North line of said Section 15, a distance of 2633.52 feet to the 1/4 corner common to said Sections 10 and 15; thence South 00° 04' 34" West along the North-South center section line of said Section 15, a distance of 862.60 feet to a 5/8" iron pin; thence South 89° 12' 56" East 1333.70 feet to a 5/8" iron pin on the West line of the NE1/4NE1/4 of Section 15; thence South 00° 03' 57" East 465.44 feet to the NE 1/16 corner of said Section 15; thence South 89° 12' 58" East 1334.86 feet to the North 1/16 corner common to Sections 15 and 14; thence South 89° 45' 21" East along the North line of S1/2NW1/4 of said Section 14, a distance of 2589.53 feet to the CN 1/16 of said Section 14; thence South 01° 02' 35" East along the North-South center section line of said Section 14, a distance of 3970.17 feet to the 1/4 corner common to Sections 14 and 23 of said Township and Range; thence North 89° 53' 42" west along the South line of said Section 14, a distance of 660.05 feet; thence North 01° 02' 35" West 1327.82 feet to a 5/8" iron pin on the North line of the S1/2SW1/4 of Section 14; thence South 89° 52' 59" West along said South line 838.09 feet to a 5/8" iron pin; thence North 60° 05' 19" West 1310.41 feet to a 5/8" iron pin; thence South 47° 11' 37" West 950.00 feet to a 5/8" iron pin; thence South 27° 31' 57" East 1500.00 feet to the section corner common to Sections 14, 15, 22 and 23 of said Township and Range; thence North 89° 15' 57" West along the South line of said Section 15, a distance of 2674.98 feet to the 1/4 corner common to Sections 15 and 22; thence North 89° 14' 51" West along said South line, a distance of 1333.15 feet to the West 1/16 corner common to Sections 15 and 22; thence North 00° 16' 20" East 1327.17 feet to the Southwest 1/16 corner of Section 15; thence North 89° 08' 57" West 1328.63 feet to the South 1/16 corner common to Sections 15 and 16; thence North 00° 28' 05" East along the West line of Section 15, a distance of 1329.42 feet to the 1/4 corner common to Sections 15 and 16; thence North 00° 23' 41" East along said West line 2662.76 feet to the point of beginning, containing 695.4 acres more or less. The above bearings and distances are based on record of survey number 3261, on file in the Klamath County Surveyor's Office.

all of which real property shall hereinafter be referred to as "Existing Property".

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Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner.

(a) Additions in Accordance with a General Plan of Development. The developer, its heirs and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with the General Plan of Development attached hereto. The additions authorized under this and the succeeding subsections shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration with the Existing Property.

(b) Other Additions. Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.

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## ARTICLE II

## MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee, interest in any Lot or Living Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all those owners as defined in Section 1 with the exception of the Developer. Class A members shall be entitled to one vote for each Lot or Living Unit in which they hold the interests required for membership by Section 1. When one than one person holds such interest or interests in any Lot or Living Unit, all such persons shall be members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit.

Class B. Class B members shall be the Developer. The Class B member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 1, and for every Living Unit owned by it until such Unit is first sold or leased, provided that the Class B membership shall cease and become converted to Class A membership on the happening of the following event:

Two years after the time that the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership, then the Class B membership shall cease and become converted to Class A membership. If during the two year period the Developer plats additional lots, the Owners thereof shall become members of the

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Association with the same rights as Class A or Class B members as heretofore stated.

Section 3. Responsibility for Assessments. Members are responsible for assessments against their property and for fines or charges made by the Association against any Member, his family or tenants.

Section 4. Restrictions on Ownership. There shall be no restrictions as to the ownership of any Lot or Living Unit in the Subdivision or as to membership in the Association which is based on race, color, creed, or national origin.

### ARTICLE III

#### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer for each Lot and Living Unit owned by him within the Properties hereby covenants and each Owner of any Lot or Living Unit by acceptance of a deed therefore whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the Association annual assessments or charges for maintenance, taxes, insurance, administration of the Common Properties and for fire protection.

The annual assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The assessment is due on the property whether the property is vacant or whether it has been developed with a residence.

Section 2. Purpose of Assessments. The annual assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Properties and in particular for the improvement and maintenance of properties, services, and

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facilities devoted to this purpose and related to the use and enjoyment of the Common Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management, and supervision thereof.

Section 3. Starting Time of Assessments. Assessments shall begin on 365 days after purchase or when the Common Properties are conveyed by the Developer to the Property Owners' Association, whichever is sooner. When assessments begin, Owners of record shall pay an annual assessment of \$300.00 per year per lot, prorated by the month until the first anniversary following. From and after the 2nd year the annual assessment may be further increased by vote of the Members, as hereinafter provided for the next succeeding Two (2) years for each succeeding period of Two (2) years.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association fix the actual assessment for any year at a lesser amount.

Section 4. Change in Basis and Maximum of Annual Assessments. Subject to the limitations of Section 3 hereof, and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period provided that any such change shall have the assent of two-thirds ( $2/3$ ) of the votes of each Class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Quorum For Any Action Authorized Under Sections 3 and 4. The quorum required for any action authorized by Sections 3 and 4 hereof shall be as follows: At the first

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meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting of Members, or by proxies, entitled to cast sixth per cent (60%) of all the votes of each Class of Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 3 and 4 and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Due Dates of Annual Assessments. after the time set for assessments to begin in Section 3, annual assessments shall begin each year on July 1 and shall become due on November 15 of the same year.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period of at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

Section 8. Effect of Non-Payment of Assessment. If the assessments are not paid on the date when due, (being the dates specified in Section 6 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

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If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten per cent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action including any attorney fee.

#### Section 9. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

### ARTICLE IV

#### PROPERTY RIGHTS IN THE COMMON PROPERTIES

Members' Easements of Enjoyment. Subject to the provisions of Section 3, every Member, his family or tenants shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot or Living Unit.

Section 2. Title to Common Properties. The Developer may retain the legal title to the Common Properties until such

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time as it has completed improvements thereon and until such time as it has completed improvements thereon and until such time as, in the opinion of the Developer, the Association is able to maintain the same, but notwithstanding any provisions herein, the Developer hereby covenants, for itself, its heirs and assigns that it shall convey the Common Properties to the Association, free and clear of all liens and encumbrances, not later than two (2) years after the time that the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The Association may make rules and regulations, governing the use of the Common Properties and the improvements thereon in the interest of securing maximum safety and enjoyment by all of the Members.

(b) The Association, by a 2/3 vote of its Members at a meeting called under the procedures described in Sections and of Article II, may lease up to one-half (1/2) acre of Common Property to any nonprofit group of Tanglewood Property Owners whose purpose is to finance and erect a capital improvement such as a swimming pool, tennis court, club house or other recreational facility on the Common Property for use by Association Members. No improvement shall be begun, however, until detailed plans and specifications have been approved by the Architectural Control Committee under the procedure described in Article VI. Provided that Association Members agree to pay the required usage or membership fees and abide by the rules and regulations of such a group, no Association Member may be excluded from the use of such a facility. In no case may the

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cost of such a venture be met by an annual or special assessment against Members of the Association not wishing to be assessed.

#### ARTICLE V

##### EASEMENTS

Section 1. Utility Easements. Utility easements and rights of way are reserved to the Association for the installation and maintenance of underground utility lines for the carrying of power, telephone, television, sanitary sewer, storm drains, domestic water, irrigation water, and for any other reasonable purpose. Such easements are noted on the Subdivision Plat.

Section 2. Path Easements. Path easements are reserved to the Association for the installation and maintenance of foot trails, bike paths, horse trails and for certain other uses as may be determined by the Association. Such easements are noted on the Subdivision Plat.

Section 3. Slope Easements. Slope easements are reserved to the Association for adjusting grades as may be required for walkways or utilities. Such easements are also reserved for the Association to install, maintain and remove landscape materials.

Section 4. Drainage Easements. Drainage easements are reserved to the Association for the installation and maintenance of drainage facilities at each Lot location across the rear five (5) feet and along the side five (5) feet whether or not shown on the Subdivision Plat. Such easements may also involve changing the slope of the ground and removing or planting landscape materials.

#### ARTICLE VI

##### USE RESTRICTIONS

Section 1. Architectural Control Committee. No building, fence, wall or other structure shall be commenced,

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erected or maintained upon the properties nor shall any exterior addition to or change or alteration therein be made until the plans, specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an Architectural Committee composed of three or more representatives appointed by the Board.

In the event said Board or its designated committee fails to approve or disapprove such design and location within thirty days after said plans and specifications have been submitted to it or in any event if no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this article will be deemed to have been fully complied with.

Section 2. Design Criteria for Architectural Committee. Simplicity, good proportions, Tree location, natural landscape and harmonious relationship to existing structures are desired in the completed structure.

Section 3. Local Ordinances. The use of the property will be governed by local ordinance unless more stringent requirements are specifically noted herein or by Homeowner Association directive.

Section 4. Activity. No noxious or offensive activity shall be carried on upon the lots or the common area nor shall anything be done or maintained thereon, which may become an annoyance to the neighborhood or detract from its value.

Section 5. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said property, except dogs, cats and birds, provided that such household pets are not kept, bred or maintained for any

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commercial purpose. Household pets shall, be restrained from interfering with the other owner's use and enjoyment of their property and of the Common Areas, and shall not be allowed to run at large. The owner of any such pet shall be responsible for cleaning up after same. Horses shall be allowed on common areas designated for their keeping and/or riding paths.

Section 6. Sanitation. No part of the property shall be used or maintained as a dumping ground for rubbish, trash, garbage or any other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property, except in a sanitary container. All containers or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and shall be stored so as not be visible from the street or common areas. All garbage shall be removed weekly.

Section 7. Recreational Vehicles. No trailer, camper truck, tent, garage, shack or other out-buildings shall at any time be used as a residence, storage shed, play area, or temporary structure on any part of said property.

Section 8. Antennae. Installation of all radio and/or television dish or antennae shall be approved by the Architectural Committee in the same manor as provided in Article VI, Section 2.

Section 9. Vehicle Repaid. No maintenance or repaid work on vehicles shall be done on said property or on the public ways adjacent thereto.

Section 10. Parking. The parking of trailers, trucks except pickup trucks, recreational vehicles and other like equipment shall not be allowed on any part of said property nor on public ways adjacent thereto. All other parking of boats, motorcycles, campers and like equipment shall be concealed behind a fence or shrubbery or be contained within a garage and shall be

## 12. DECLARATION OF COVENANTS AND RESTRICTIONS

fully screened from public view as may be approved in writing by the Architectural Committee as provided in Section 1 hereof.

Section 11. Landscaping. Now owner of a building site, family member, or guest thereof shall cut or remove any tree, shrub or bush in any designated street, right of way, landscape easement or common area unless permission is granted in writing from the Architectural Committee.

Section 12. Signs. No sign of any kind shall be displayed to the public view on any lot or building on said property, except one professional sign of not more than five square feet, advertising the property for sale or rent or signs used by the developer to advertise the property during the construction and sale.

Section 13. Temporary Sales Office. Nothing contained in this declaration shall be construed to prevent the erection of a temporary sales office, signs or temporary parking to be used in connection with the sale of the property until Development is completed and approved by Homeowners Association.

Section 14. All owners shall be required to hook up to any centralized sewage disposal system within 120 days of installation of such system. All owners will be liable for any costs incurred or levied by the association in the installation or hook up to said centralized sewage disposal system. The association shall not be liable for any costs or expenses previously incurred by owners for establishment of individual sewage disposal systems. It is acknowledged that Developer has heretofor entered into agreements with the City of Klamath Falls for a centralized sewage disposal system and owners shall become subject to any of such agreements heretofore made by developers or hereafter made by developers and the association.

### 13. DECLARATION OF COVENANTS AND RESTRICTIONS

## ARTICLE VII

## GENERAL PROVISIONS

Section 1. Duration. The 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 Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds (2/3) of the Lots or Living Units has been recorded, agreeing to change said covenants and restrictions in whole or in part. For purposes of meeting the two-thirds requirement, when Living Units are counted, the Lot or Lots upon which such Living Units are situated shall not be counted. Provided, however, that no such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Notices. Any notice required to be sent to any member of Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction

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herein contained shall in no event be deemed a waiver of the right to do so thereafter. That the prevailing party in any action shall be entitled to a reasonable attorney fee including attorney fees on appeal, if any.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 5. Insurance. The Association shall maintain an active insurance policy for bodily injury liability in the amount of One Million Dollars each person, and each occurrence and for property damage liability in the amount of One Million Dollars each occurrence.

M. L. STEWART, INC., an Oregon Corporation

M. L. Stewart  
By: M. L. STEWART

Maurice E. Bercot  
MAURICE E. BERCOT

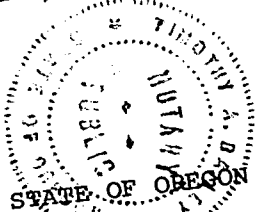
Robert Mullen  
ROBERT MULLEN

KENNETH L. TUTTLE, M.D., P.C. for Employees  
Profit Sharing and Pension Fund for  
KENNETH L. TUTTLE

By: Kenneth L. Tuttle M.D.P.C.  
Tuttle

STATE OF OREGON )  
County of Klamath ) ss.

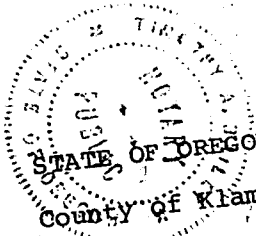
Personally appeared M. L. STEWART who, being duly sworn did say that he is the president of M.L. STEWART, INC., an Oregon Corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and acknowledged said instrument to be its voluntary act and deed this 9th day of February, 1983.



Timothy A. Boley  
NOTARY PUBLIC FOR OREGON  
My commission expires: 4-11-84

STATE OF OREGON )  
County of Klamath ) ss.

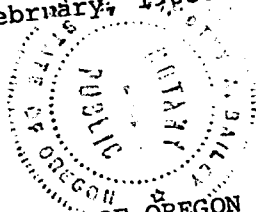
Personally appeared MAURICE E. BERCOT and acknowledged the foregoing instrument to be his voluntary act and deed this 9th day of February, 1983.



Timothy A. Boley  
NOTARY PUBLIC FOR OREGON  
My commission expires: 4-11-84

STATE OF OREGON )  
County of Klamath ) ss.

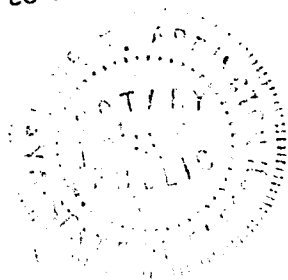
Personally appeared ROBERT MULLEN and acknowledged the foregoing instrument to be his voluntary act and deed this 9th day of February, 1983.



Timothy A. Boley  
NOTARY PUBLIC FOR OREGON  
My commission expires: 4-11-84

STATE OF OREGON )  
County of Klamath ) ss.

Personally appeared KENNETH L. TUTTLE who, being duly sworn did say that he is Trustee for Employees Profit Sharing and Pension Fund for KENNETH L. TUTTLE, and that said instrument was signed and sealed in behalf of said Profit Sharing and Pension Fund and acknowledged to be its voluntary act and deed this 9th day of February, 1983.



Darlene V. Addington  
NOTARY PUBLIC FOR OREGON  
My commission expires: 3-22-85

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record

this 9th day of February A.D. 19 83 at 4:16 o'clock P.M. of  
duly recorded in Vol. M83 of Deeds on file 2155

EV. LYN BIEHN, County

By Jayne M. Munn

\$64.00

16. DECLARATION OF COVENANTS AND RESTRICTIONS

Ret Maurice Bercot  
5323 S. 6th  
K Falls Or.