

MTC 1396-6685

SUPPLEMENTAL DECLARATION OF UNIT OWNERSHIP
FOR
HARBOR ISLES CONDOMINIUMS
PHASE II

This Supplemental Declaration of Unit Ownership is made this 23 day of September, 1993 by Trendwest, inc., 803 Main, Suite 300, Klamath Falls, Oregon (hereinafter referred to as the Declarant) pursuant to the provisions of ORS 100.120 the Oregon Condominium Act.

WITNESSETH:

1. SUBMISSION OF ADDITIONAL PROPERTY. Declarant hereby submits to the provisions of ORS 100.120 the following described real property owned by it in fee simple, together with any and all buildings and improvements presently situated on said property or hereafter constructed or placed on said property (hereinafter collectively referred to as the Condominium).

See attached description

2. ADDRESS. The Condominium shall be located on a portion of the premises located at 2716-2726 Front Street, Klamath Falls, Oregon 97601.

3. PROJECT DESCRIPTION. Phase II shall consist of Building B which shall contain 6 units designated as B-1, B-2, B-3, B-4, B-5, and B-6. Unit B-1 and B-6 shall be a "Plan A" unit as described below. Unit B-2 through B-5 shall be "Plan B" units, as described below.

Building B shall be two stories, and shall contain a predetermined combination of two of the basic unit plans. The location of each unit and all other information pertinent to the units and the common elements are shown on the plat, certified by Truline Surveying, Registered Professional Land Surveyors, which shall be filed in the office of the Clerk of Klamath County, Oregon, simultaneously with the recording of this Supplemental Declaration. Each unit shall have its own entry deck, in front of each unit, and shall have its own enclosed garage and storage space. Each unit shall also have exclusive use of a limited common element patio on the back of each Unit. Garage space shall be for one car for the Plans B and for two cars for the Plans A. Additional off-street uncovered parking spaces will be available on the premises. All Plans A and B shall be two-stories and each shall have wood decks on the second story of said Units, both in the front and in the back of each unit.

Building and garage shall be of wood frame construction with cedar for its exterior walls and gypsum sheetrock for the interior

walls. Ceilings shall also be of gypsum sheet rock construction. The concrete foundations shall be supported by pilings and the floors shall be of plywood construction. Each unit shall have a gas fireplace.

Plan "A" units shall be 2,058 square feet of living space, consisting of a kitchen, dining room, living room, and master bedroom, utility room and bathroom on the first floor and two bedrooms, bath, and sun room on the second floor. Plan "A" units shall also have one entry deck, two decks, along with a two-car garage.

Plan "B" units shall be 1455 square feet of living space consisting of a kitchen, dining area, living room, and half-bathroom on the first floor and two bedrooms and a bathroom and utility room on the second floor. Plan "B" units shall also have one entry deck, two decks, and a single car garage.

4. DIMENSIONS OF UNITS Each unit shall consist of the living area, the garage area, and an entrance area, more specifically described as follows:

(a) Living Area. Horizontally, from side to side, each unit shall consist of an area measured from the unit side of the framework of the exterior walls of the building to the unit side of the framework of the walls and partitions separating such unit from the other units. Horizontally, from front to back, each unit shall consist of an area measured from the unit side of the framework of the exterior walls in the front of the unit side of the framework of the exterior walls in the back. Vertically, each unit shall consist of the space between the underside of the framework of the roof down to and including the land lying beneath each unit. In addition, any or all decks on the second floor of the A and B units shall be considered part of the unit.

(b) Entrance/Deck Area. In addition to the living area, each unit shall include the enclosed entry deck entrance area lying between the garage and the living area. Horizontally, from front to back and side to side, each entrance/deck area shall consist of the area measured from, but not including, the exterior surface of the walls and partitions separating each area. The land underlying this area is included as part of the unit.

(c) Storage Space. Each unit shall also include an enclosed storage room located in the space between the garage and the living area. Horizontally, from side to side and front to back, such storage room shall consist of the area measured from the inside of the framework of the walls or partitions which enclose such storage room. Vertically, storage space shall consist of the area measured from the underside of the framework of the ceiling down to and including the land underlying such storage space.

(d) Garage Area. Horizontally, from side to side, each unit shall include the garage area measured from the inside of the framework of the exterior walls of the garage building to the inside of the framework of either the exterior walls of the garage, or the walls and partitions separating each unit's garage space from another unit's garage space. Horizontally, from front to back, each unit shall include the garage space measured from the inside of the framework of the exterior walls in the front to the inside of the framework of the exterior walls in the back. Vertically, the garage space shall consist of the space between the underside of the framework of the ceiling down to and including the land underlying each unit.

5. GENERAL COMMON ELEMENTS. The general common elements will consist of the entire Condominium property, including all parts of the building other than the units, and including, without limitation, the following:

(a) The land, except that which underlies and becomes part of each unit.

(b) The foundations, columns, pilings, joists, beams and other supports.

(c) All exterior walls and exterior partitions of the buildings, the framework of all interior walls and partitions separating the units, and the framework and exterior of the roof of the buildings. The wood decks are not general common elements, and each second floor deck is a part of each adjacent unit and the first floor rear wood decks adjacent to Unit B-1 and B-6 are limited common elements.

(d) Driveways, uncovered parking areas and sidewalks except for those sidewalks or decks which lie inside the entrance/deck area portions of each unit.

(e) All central and appurtenant installations of services such as electricity, telephone, gas water, and television, including all pipes, ducts, wires, cables, and conduits used in connection therewith and whether located in common elements or in units, excluding, however, the individual appliances located in each unit, particularly the heat pumps, hot water heaters, heating unit, light and electrical fixtures and bulbs, sinks, bath tubs, and the like.

(f) All sewer pipes.

(g) All other parts of the Condominium property and all other apparatus and installations existing in a building or on the property for common use or convenience and which are not included as a part of any unit which are considered limited common areas.

6. LIMITED COMMON ELEMENTS. The limited common elements shall consist of each concrete patio or wooden decks adjacent to the first floor of each unit, the use of which patios or decks shall be and hereby are reserved exclusively for the owners of each adjacent unit. None of these limited common elements shall be for the use of more than one unit.

7. ALLOCATION OF INTEREST IN COMMON ELEMENTS. Each unit in Phase I and II shall have an equal undivided 1/12 interest in the common elements. Each unit's undivided interest in the common elements will be reduced as the last phase is annexed to the Condominium as more particularly described in paragraph 3 of the Declaration of Unit Ownership.

8. LIABILITY FOR COMMON EXPENSES. Each unit shall be liable for the common expenses of the Condominium, and shall be entitled to the common profits of the Condominium, according to each unit's allocated undivided interest in the common elements, as described in paragraph 7 hereof.

9. COMMON ELEMENTS INSIDE UNITS. The Board of Directors have a right of access to each unit to inspect all pipes, wire, ducts, cables, conduits, public utility lines, and other common elements located within any of the units, to remove violations therefrom, and to maintain, repair, or replace such common elements and common elements located elsewhere in the building.

10. CONDOMINIUMS OWNERS ASSOCIATION. There is a Harbor Isles Condominiums Owners Association to serve as a means through which the condominium unit owners may take action with regard to the administration, management and operation of the Condominium.

11. CONTROL OF ASSOCIATION. Control of the association has been turned over to the unit owners as described in the Declaration, the Bylaws, and as required by statute.

12. VOTING RIGHTS. Each unit owner shall be entitled to one vote in the Association.

13. CONDOMINIUMS OWNERS ASSOCIATION POWER. The Association shall have full right, power and authority accorded such association, including but not limited to the authority to execute, acknowledge, deliver and record on behalf of the unit owner's easements, right of way, licenses and similar interest affecting the general common elements of the Condominiums.

14. AMENDMENT OF DECLARATION. This Supplemental Declaration may be amended only by the vote of at least 75 percent of all unit owners in phases which have been annexed to the Condominium in accordance with ORS 100.135, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws:

provided, however, that any such amendment shall only be effective upon recording in the office of the Clerk of Klamath County, Oregon, and provided further that until the turnover of control takes place, any such amendment shall only be effective if Declarant consents to such amendment.

15. SERVICE OF PROCESS. Harold Derrah, 803 Main Suite 300, Klamath Falls, Oregon 97601, is hereby designated to receive notice of process in any action which may be brought against the Condominium.

16. RESTRICTIONS OF ALIENATION OF UNITS. All units are subject to the provisions contained in this Supplemental Declaration, the Declaration Recorded in Volume M84, page 4660, Klamath County, and the Bylaws and Amendments to the Bylaws attached hereto, and the Covenants, Conditions, and Restrictions which are recorded at Volume M81, Page 18803, in the deed records of Klamath County, Oregon and M93 Page 1595, in the deed records of Klamath County, Oregon. None of these documents contain any restriction on transfer or alienation of the condominium units, except that section 7.4 of the By-Laws states that no condominium unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell, or lease his condominium unit unless and until he shall have paid in full or otherwise satisfied all unpaid common expenses theretofore assessed by the Board of Directors of the Association or any other liens against his condominium unit, except permitted mortgages assessed against the unit.

17. UNITS SUBJECT TO DECLARATION, BYLAWS, RULES AND REGULATIONS. All present and future owners, tenants, and occupants of units shall be subject to and shall comply with the provisions of this Declaration, the Bylaws, and rules and regulations adopted pursuant thereto, as these instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any unit shall constitute an acceptance of the provisions of such instruments, as they may be amended from time to time, by such owner, tenant or occupant. The provisions contained in such instruments shall be covenants running with the land and shall bind any person having at any time any interest or estate in such unit, as though such provisions were recited and fully stipulated in each deed, conveyance, or lease thereof.

18. INVALIDITY. The invalidity of any provision of this Declaration shall not affect in any manner the validity or enforceability of the remainder of this Declaration, and the other provisions of this Declaration shall continue in effect as if such invalid provision had never been included herein.

19. WAIVER. No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

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IN WITNESS WHEREOF, TRENDWEST inc. has caused this Supplemental Declaration to be executed by its duly authorized officers and its corporate seal to be hereunto affix this 23 day of September, 1993.

TRENDWEST, inc.

by Paul Derrah
President

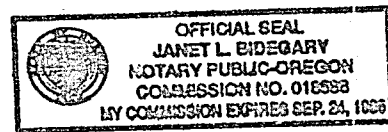
Attest:

Donald Buell
Assistant Secretary

State of Oregon)
County of Klamath) ss.

On this 23rd day of September, 1993, personally appeared Harold Derrah and Donald Buell, to me known to be the President and Assistant Secretary of TRENDWEST, inc., an Oregon Corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

Before me:

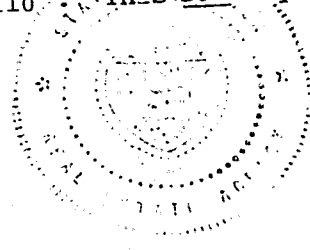


Janet L. Eidgary
Notary Public for Oregon

My commission expire: 9/24/96

The foregoing Supplemental Declaration is approved pursuant to ORS 100.110. This 20th day of October 1993.

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MORELLA LARSEN
Real Estate Commissioner

By Janet F. Mayhew

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EXHIBIT "A"
LEGAL DESCRIPTION

HARBOR ISLES CONDOMINIUMS PHASE II TRACT 1284, situated in a portion of Lot 1 of Tract 1275 and a portion of HARBOR ISLES CONDOMINIUMS, PHASE I, TRACT 1238, being in the SW1/4 of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the initial point, as marked by a 2" x 30" brass capped monument (also being the initial point of said Tracts 1275 and 1238); thence along the arc of a curve to the left (Radius point bears South 78 degrees 29' 47" East 330.00 feet and central angle equals 24 degrees 57' 53") 143.78 feet; thence South 83 degrees 04' 12" West 183.94 feet to a 5/8" iron pin with Tru-Line Surveying plastic cap; thence continuing South 83 degrees 04' 12" West 5 feet, more or less, to the mean high water line of Upper Klamath Lake; thence Northerly, along said/mean high water line, 184 feet, more or less, to a point from which a 5/8" iron pin with Tru-Line Surveying plastic cap as established by recorded survey No. 5341 bears South 87 degrees 50' 30" East 5 feet, more or less; thence South 87 degrees 50' 30" East 5 feet, more or less, to said 5/8" pin thence continuing South 87 degrees 50' 30" East 93.26 feet; thence South 46 degrees 51' 00" East 45.10 feet; thence North 76 degrees 09' 04" East 62.04 feet to the point of beginning. With bearings based on said recorded plat of "Tract 1275", as recorded in the office of the Klamath County Surveyor.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 25th day
of Oct A.D., 19 93 at 1:16 o'clock P M., and duly recorded in Vol. M93
of Deeds on Page 27937.

40.00 FEE \$

Evelyn Biehn - County Clerk

By Deborah M. Henderson