

AFTER RECORDING, RETURN TO:

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Attorney at Law
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Klamath Falls OR 97601

SUPPLEMENTAL DECLARATIONS OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR TIMBERMILL SHORES TRACT 1430

Declarants Pine Cone, LLC. and TimberMill Shores, Inc., owners of the real property described on Exhibit "A" to the Declarations of TimberMill Shores, recorded in Volume M01 at Page 29962 of the Deed Records of Klamath County, Oregon, do hereby adopt the following Supplemental Declarations (CCR'S), which shall apply to all of the real property included in Tract 1430 TimberMill Shores, City of Klamath Falls, Klamath County, Oregon. All of the land included in said Tract 1430 shall be held, improved, conveyed, hypothecated, encumbered, used, occupied, and administered subject to the Declarations of TimberMill Shores and to these Supplemental Declarations of TimberMill Shores. These Supplemental Declarations shall run with the real property and shall be binding on all parties having or acquiring any right, title, or interest in the described properties or any part thereof and shall inure to the benefit of each owner thereof.

1. Purpose. The initial Declarations of TimberMill Shores provide standards that create an environment of design excellence in the development of the TimberMill Shores property. The Declarants' desire that the buildings and other improvements in Tract 1430 reflect the historic use of the Modoc Lumber Co. mill site that comprises TimberMill Shores, and that TimberMill Shores have a visual identity that separates it from the core of the City of Klamath Falls while maintaining linkage with the adjacent downtown area and the historic buildings located therein. These Supplemental Declarations provide specific design criteria for guidance of property owners and the Architectural Review Committee established by the Declarations of TimberMill Shores.

2. Review Process. Section 10 of the said Declarations sets forth a process for the approval by the Architectural Review Committee (ARC) of a lot purchaser's development plans and designs. The said process provides for approval of detailed plans prior to the transfer of title to a lot. The Declarants recognized that it may not be commercially reasonable for a lot purchaser to provide final detailed plans and designs to the Committee prior to taking title. Therefore, a lot purchaser may elect, at the lot purchaser's risk, to close the sale of the Property and complete the following plan review process thereafter or Purchaser may elect to use the following review process prior to closing:

a. Presale Review. The lot purchaser (applicant) shall provide to the ARC, prior to the date set for the closing of the sale of the lot a site plan showing the location of the proposed improvements including, but not limited to all buildings, parking, sidewalks and landscaped areas, a list of the materials that will be used on the exteriors of the buildings, a preliminary

drawing of the building, a description of the intended building uses, and the time at which the lot improvements will be completed. Within ten (10) days of receipt of said documents, the Architectural Review Committee shall review the documents for completeness. If additional information is required before the review can be completed, the committee shall so notify the applicant, in writing. The committee shall take no further action until said complete documentation is received from the applicant. The committee shall, thereafter, have twenty (20) days to complete its review of the design information provided by the applicant, and it shall provide the applicant with its written decision. The decision may deny the preliminary plans in whole, it may approve the preliminary plans, or it may approve the preliminary plans with conditions. If the preliminary plans are approved with conditions, the applicant shall thereafter, within ten (10) days, advise the committee of its acceptance of the conditions of approval. If the applicant fails to advise the committee of its acceptance of the conditions, then the application shall be deemed denied and the sale shall be terminated with any earnest money refunded to the applicant and the agreement for the sale and purchase of the lot shall be null and void. If the committee fails to provide any of the notices required above within the time limits set forth, then the application shall be deemed approved. If the plans are approved or if the applicant accepts the conditions of approval, the sale of the lot shall be completed as provided in the sale agreement.

b. Post Sale Review. The applicant shall not submit its site plan to the City of Klamath Falls or seek other governmental reviews and approvals until such time as the final site plan and design drawing have been approved by the ARC. Each development application will be reviewed on a case by case basis. Final approval is subject to compliance with the design standards as interpreted by the Architectural Review Committee. Within twelve months after the closing of the sale of the lot, unless a longer period has been approved in writing by the ARC, the applicant shall submit to the ARC its final detailed site plan and design specifications that address the design standards. The site plan shall show the precise location of the proposed improvements, including all landscaping, and a detailed description of the improvements, including construction materials, types and location of parking lots, sidewalk improvements, and the types and location of plants and ground cover to be incorporated in the landscaping, its final detailed building design including elevations, building materials, exterior lighting, and sign designs and locations. The final plans and specifications shall comply with the presale site plan and design information approved by the ARC. Within ten (10) days of receipt of said documents, the Architectural Review Committee shall review the documents for completeness. If additional information is required before the review can be completed, the committee shall so notify the applicant, in writing. Such notice shall be delivered or mailed to the applicant within five (5) days after the expiration of the ten (10) day initial review period. The committee shall take no further action until said complete documentation is received from the applicant. The committee shall, thereafter, have twenty (20) days to complete its review of the design information provided by the applicant, and it shall provide the applicant with its written decision. The decision may deny the application in whole, it may approve the application, or it may approve the application with conditions. If the committee fails to provide any of the notices required above within the time limits set forth, then the application shall be deemed approved. The applicant shall make no changes to the parcel until it has received final approval of its detail site plan and design information from the ARC. Any improvements thereafter constructed shall be constructed in strict performance with the design approved by the Architectural Review Committee. No

changes shall be made without prior written approval of said committee. The improvements approved by the ARC shall be completed within two years after final approval by the ARC. The time limitation contained in this section may be extended or otherwise modified by agreement between the Applicant and the ARC.

3. Use of the Land. TimberMill Shores is an urban mixed-use development, and each lot in TimberMill Shores may be developed for residential, commercial, and other similar uses. No manufacturing or industrial uses, or use of a lot or building for adult business, mortuary, crematory, cemetery or as a resale/thrift store will be allowed within Tract 1430. The City of Klamath Falls Community Development Ordinance, which maybe accessed at www.ci.klamath-falls.or.us/Planning/CDOHomePage.htm, defines the said uses, and sets forth the City's development standards and site plan review process. The City's development standards are minimum standards and are supplemented by the Declarations and Supplemental Declarations of TimberMill Shores.

4. Specific Design Criteria.

a. **Building and Site Design.** Site plans, site improvements and building designs shall reflect the character of TimberMill Shores. Declarants shall work with each land owner to enhance the identity of the use of each lot as part of TimberMill Shores. All new development should compliment adjacent existing buildings. Site development shall create visual links and be functional to pedestrian and bicycle paths, and Lake Ewauna. The building design shall incorporate elements into the building envelope which extend to the outdoor room, such as terraces, balconies, or loggias. Blank walls (walls without windows, showcases, displays or pedestrian access points) shall be limited to 50% of any ground level building element which abuts a public road, street, sidewalk and pathway. Service elements for buildings should be integrated into the building envelope and, when possible, be placed away from pedestrian ways and screened visually and acoustically. Upper levels of buildings facing the Lake should incorporate decks, balconies, loggias, or other devices that activate the wall enclosing the Lake.

b. **Site Improvements.** The site design should include courtyards and plazas that provide a continuity of experience between the inside and outside of the building, incorporating furniture and accessories that allow active use of the space. All sidewalks shall be geothermally heated unless the geothermal resource system is not available to the property. The landscaping and parking requirements of the City of Klamath Falls shall be considered minimum requirements. To the extent reasonably possible, larger trees and shrubs shall be used in landscaping plantings with a suggested minimum tree caliper of three inches and a suggested minimum shrub size of five gallons. Large areas of bark-type cover will not be permitted. A mixture of rock, fine mulch, and ground cover plants are expected. Benches and other pedestrian amenities shall be used where appropriate. Pedestrian linkage with dedicated pedestrian access ways shall be required. Good lighting of pedestrian areas and parking lots shall be required using light fixtures approved by the Architectural Review Committee.

c. **Parking Areas.** Parking areas shall contribute to the high-quality design character of TimberMill Shores. Parking areas shall be sited on the lots in a manner allowing ready-use of shared parking with adjoining lots and providing ease of pedestrian movement from the parking

lot to adjoining and nearby businesses. **Parking should** be adjacent to the building; convenient, but not the prominent object on the site. **Overflow parking** areas should be designed as public space, for use by residents and visitors to the area as a plaza when not needed for automobiles. All parking areas shall be delineated by walls composed of shrubs, masonry, rock, wood and other natural materials with a minimum height of 36 inches. The wall should be articulated with places for benches and landscape treatment when adjoining walkways and sidewalks. Parking areas that are essentially seas of asphalt mitigated by scattered trees and landscape buffers will not be allowed.

d. **Building Design and Location.** Buildings shall be designed to accommodate a mix of uses, shall be designed to fit into and contribute to the evolving context of TimberMill Shores, and shall enhance and contribute to the public experience. Buildings and spaces shall be of a quality of design and construction that encourage and set a standard for adjunct development. Buildings should be placed to the street edge, encouraging pedestrian commuters and public transportation. "Celebrate" the entrance to the building from the street. Buildings and other improvements shall be sited to maintain view corridors toward the lakefront. Buildings on lots 5, 6, and 7 should be limited to three stories and a maximum height of 35 feet measured from the natural, undisturbed ground surface below the center of the building or improvement to the highest point on the building or improvement. Building and improvements on all other lots shall not exceed 45 feet as provided in the City's Development Ordinance.

e. **Building Materials.** The visible surfaces of buildings should employ natural materials such as brick, rock, and wood with an emphasis on wood features such as large wooden beams. Monolithic and synthetic materials often express the fact that they are fake and machine made and will not be approved for use on exterior surfaces of buildings and improvements in TimberMill Shores.

f. **Signage.** Signage shall be considered within the overall building design. Business identity signs, should be limited to ground or eve illuminated wall or blade signs on the parking side of buildings, and to any street sign regulation on the public walkway side of buildings. All signs shall incorporate the TimberMill sign frame and the sign base shall be composed of same materials as the building façade. The TimberMill logo shall be stamped on various locations such as sidewalks and concrete entrances, as determined by the Architectural Review Committee. To the extent reasonably possible, signage shall incorporate the use of wood and other natural materials and shall avoid the use of plastic, fiberglass, and other manufactured materials. The display of all other signs, including "realtor" signs, "for sale" signs, "for rent" signs and public event signs shall require prior written approval of the ARC and shall strictly comply with design standards proscribed by the ARC.

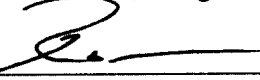
5. **Pedestrian Access.** Horizontal surfaces should have pedestrian pathways expressed with a material contrasting to asphalt. The site plans for each of the lots adjoining a pedestrian access way, as shown on the Final Plat Map of Tract 1430, shall incorporate the pedestrian access ways in the site design, so that the pedestrian access ways complement the site design and convenient pedestrian access is available from each adjoining lot to the pedestrian access way.

6. **Recreational Easement Development.** The development plans for lots 2, 3, 5, 6, and 7

shall provide for the improvement of the Lake Ewauna Recreational Easement. The waterfront should welcome the user to Lake Ewauna, provide stopping points along the trail, places to rest and appropriate amenities. The character of the lake edge should be a transition between a recreated natural lake environment and the adjacent development. The lot owner shall coordinate the improvement of the easement area with the Klamath County, the easement owner, and the City of Klamath Falls, the easement manager. The trail when fully completed shall include a concrete walkway not less than ten feet wide, ample landscaping including grass and native plants and trees, an automatic irrigation system, benches at regular intervals, and lighting. If the easement area has not theretofore been improved, the lot owner, in conjunction with the landscaping of its lot, shall make minimal improvements to the easement area, including construction of a gravel trail ten feet in width and removal of weeds and other undesirable vegetation. The lot owner is encouraged to make additional improvements and may be entitled to development credits from the City of Klamath Falls for such improvements. Following initial improvement of the easement area, maintenance of the easement area shall be provided by the TimberMill Shores Property Owners' Association, and the lot owners shall have no further responsibility for maintenance or improvement of the recreational easement area.

These Supplemental Declarations do not replace but supplement the Declarations that apply to all of TimberMill Shores. These Supplemental Declarations shall be effective and shall bind and burden the property upon recording in the Deed Records of Klamath County, Oregon.

TIMBERMILL SHORES, INC.
Post Office Box 257
Klamath Falls, Oregon 97601

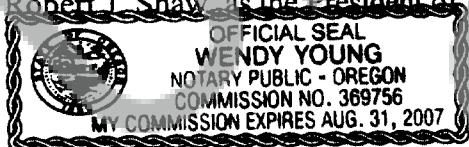
By: 
Robert J. Shaw, Its President

PINE CONE, LLC.
Post Office Box 257
Klamath Falls, Oregon 97601

By: 
Robert J. Shaw, Its Operating Manager

STATE OF OREGON, County of Klamath) ss.

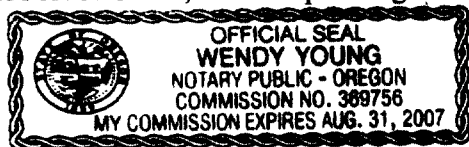
This instrument was acknowledged before me on 8.12.05, 2005 by Robert J. Shaw, as the President of TimberMill Shores, Inc.



Wendy Young
Notary Public for Oregon
My Commission Expires: 8-31-05

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on 8.12.05, 2005 by Robert J. Shaw, as the Operating Manager of Pine Cone, LLC.



Wendy Young
Notary Public for Oregon
My Commission Expires: 8-31-05