

**DECLARATION OF DEED RESTRICTION**

Crystal Terrace Retirement Community, LLC, an Oregon limited liability company ("Crystal Terrace"), is the owner of a parcel of real property located in Klamath County, Oregon, and more particularly described as follows:

Parcel 1 of Land Partition 62-00 as shown on the official Plat thereof on file at the office of the County Clerk, Klamath County, Oregon, situated in the southeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 20, Township 38 South, Range 9 East, of the Willamette Meridian ("Parcel 1").

CT Acres, LLC, an Oregon limited liability company ("CT"), is the owner of the following described parcel of real property located in Klamath County, Oregon, which parcel is adjacent to Parcel 1, to wit:

Parcel 2 of Land Partition 62-00 as shown on the official Plat thereof on file at the office of the County Clerk, Klamath County, Oregon, situated in the southeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 20, Township 38 South, Range 9 East, of the Willamette Meridian ("Parcel 2").

CT and Crystal Terrace make this Declaration of Deed Restriction for the purpose of ensuring compliance with zoning ordinances and building code requirements of the City of Klamath Falls (the "City"). Crystal Terrace desires to construct and maintain a cooling tower for the purposes of supplying chilled water to improvements which currently exist or may in the future be constructed upon Parcel 1, but lacks sufficient property in the desired location of the cooling tower and ancillary facilities to build that improvement entirely on its own property. CT is willing to allow the construction and location of the cooling tower on its property in the approximate location shown on the map attached hereto as Exhibit A.

The City has conditioned issuance of a permit for the construction of the cooling tower and the installation of water lines, electrical lines and the like which would serve said cooling tower, upon the creation of certain restrictions on the deeds for Parcels 1 and 2.

NOW, THEREFORE, Crystal Terrace and CT hereby declare restrictions on their respective parcels of real property as follows:

Neither Parcel 1 nor Parcel 2 shall be conveyed separate from the other without first obtaining consent therefor from the City

This restriction shall run to and be enforceable by the City. It shall run with the land in perpetuity and shall be binding upon Crystal Terrace, CT and their successors, agents, and assigns.

DATED as of the 5<sup>th</sup> day of May, 2006.

CRYSTAL TERRACE RETIREMENT  
COMMUNITY, LLC, an Oregon limited liability  
company

By: \_\_\_\_\_

Jon M. Harder, Manager

CT ACRES, LLC, an Oregon limited liability  
company

By: \_\_\_\_\_

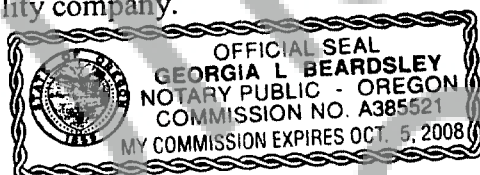
Jon M. Harder

STATE OF OREGON )

) ss

County of Marion )

This instrument was acknowledged before me on May 5, 2006, by Jon M. Harder, as Manager of Crystal Terrace Retirement Community, LLC, an Oregon limited liability company.



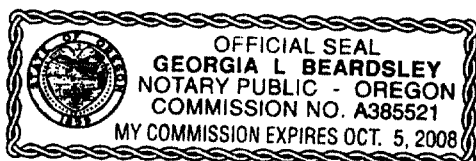
Georgia L. Beardsley  
Notary Public for Oregon  
My commission expires: 10/05/08

STATE OF OREGON )

) ss

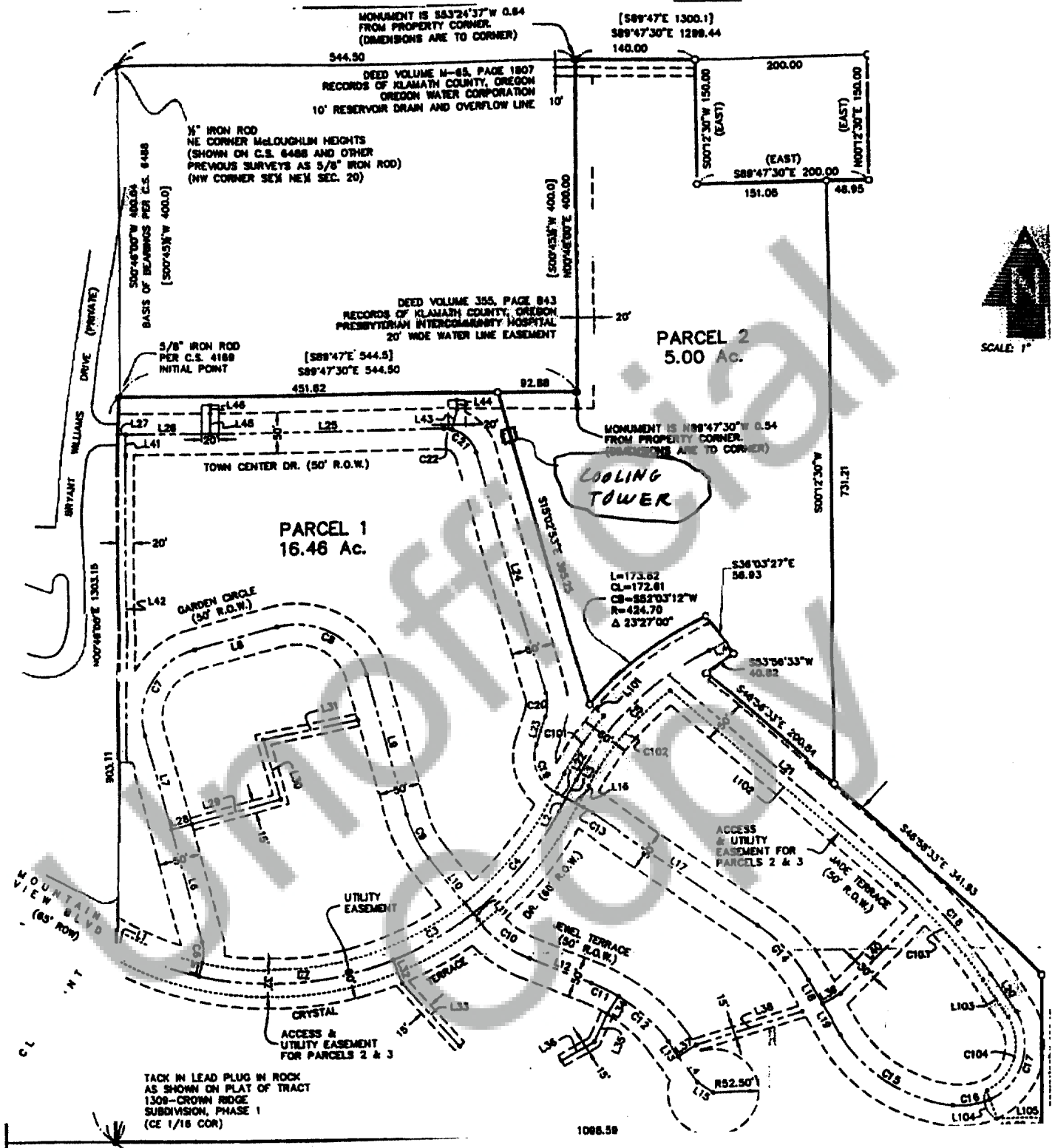
County of Marion )

This instrument was acknowledged before me on May 5, 2006, by Jon M. Harder, as Manager of CT Acres, LLC, an Oregon limited liability company.



Georgia L. Beardsley  
Notary Public for Oregon  
My commission expires: 10/05/08

# EXHIBIT A



Parcels 1 and 2, PARTITION 62-00, Section 20, Township 38 S, Range 9 E, of Willamette Meridian, Klamath County, Oregon