

RECORDING COVER SHEET (Please print or type)

This cover sheet was prepared by the person presenting the instrument for recording. The information on this sheet is a reflection of the attached instrument and was added for the purpose of meeting first page recording requirements in the State of Oregon, and does NOT affect the instrument. ORS 205.234

2024-008290**Klamath County, Oregon****09/20/2024 03:48:02 PM****Fee: \$132.00**

*This space reserved for use by
Recording Office*

After recording return to: ORS 205.234(1)(c)

RidgeWater, LLC

9460 Double R Boulevard, Suite 103

Reno, NV 89521

Attn: Fred Bates, Jr.

1. Title(s) of the transaction(s)

ORS 205.234(1)(a)

Assignment of Declarant's Rights

2. Direct party(ies) / grantor(s)

Name(s)

ORS 205.234(1)(b)

Trinity Asset Holdings Co., LLC

3. Indirect party(ies) / grantee(s)

Name(s)

ORS 205.234(1)(b)

RidgeWater, LLC

Bates Properties Reno, Inc.

4. True and actual consideration:

ORS 205.234(1) Amount in dollars or other

\$ 0

Other:

5. Send tax statements to:

ORS 205.234(1)(e)

No Change

6. Satisfaction of lien, order, or warrant:

ORS 205.234(1)(f)

☐

FULL

☐

PARTIAL

7. The amount of the monetary obligation imposed by the lien, order, or warrant:

ORS 205.234(1)(f)

\$

8. Previously recorded document reference: 2006-018271**9. If this instrument is being re-recorded complete the following statement:**

ORS 205.244(2)

"Rerecorded at the request of

to correct

previously recorded in book _____ and page _____, or as fee number _____."

**RECORDING REQUESTED BY AND
WHEN RECORDED, MAIL TO:**

Ridgewater, LLC
9460 Double R Boulevard, Suite 103
Reno, NV 89521
Attn: Fred Bates, Jr.

ASSIGNMENT OF DECLARANT'S RIGHTS

This Assignment of Declarant's Rights ("**Assignment**") is made by and between **TRINITY ASSET HOLDINGS CO., LLC**, a California limited liability company ("**Assignor**"), and **RIDGEWATER, LLC**, a Delaware limited liability company ("**Assignee**"). **BATES PROPERTIES RENO, INC.**, a Nevada corporation ("**Bates**") is also a party to this Assignment.

RECITALS:

A. Reference is hereby made to that certain Declaration of Covenants, Conditions, Restrictions and Easements for Ridgewater, recorded in the official records of the office of the County Recorder of Klamath County, Oregon ("**Official Records**"), on September 11, 2006, as Document No. 2006-018271 (as amended, modified, or supplemented from time to time, the "**Declaration**").

B. Pursuant to the Declaration, Assignor holds certain rights with respect to the residential subdivision located in Klamath County, Oregon, commonly known as Ridgewater (the "**Community**"), including rights as "Declarant" under the Declaration and the "Bylaws" (as those terms are used in the Declaration).

C. Assignor and Assignee (as successor in interest to Bates) have entered into that certain Option Agreement and Joint Escrow Instructions dated June 27, 2023 (as amended, the "**Option Agreement**"), a memorandum of which was recorded on November 8, 2023 as Document No. 2023-009646 in the official records of Klamath County, Oregon, pursuant to which Assignee has acquired from Assignor the option to purchase from Assignor certain real property within the Community (any such real property hereafter acquired by Assignee under the Option Agreement and now or hereafter subject to the jurisdiction of the Declaration being referred to herein, collectively, as the "**Assignee Property**"). Pursuant to the Option Agreement, the original Optionee, Bates, had the right to assign its rights thereunder, provided, however, notwithstanding any assignment by Bates under the Option, Bates remains fully liable for all representations, warranties, indemnifications, duties and obligations under the Option Agreement, all as more

specifically set forth in the Option Agreement. Nothing in this Assignment is intended to modify or alter the terms and conditions of the Option Agreement.

D. In connection with Assignee's acquisition and development of the Assignee Property, Assignor desires to assign to Assignee on a non-exclusive basis, and Assignee desires to accept from Assignor, certain of Assignor's rights and reservations as "Declarant" under the Declaration and the Bylaws in accordance with Section 15.3 of the Declaration.

AGREEMENTS:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. **Capitalized Terms**. Capitalized terms used but not defined herein shall have the same meaning set forth for such terms in the Declaration or Bylaws, as applicable.

2. **Assignment**. To the extent and within the scope permitted in the Declaration or the Bylaws (as applicable), and subject to the clarifications and limitations provided below, Assignor hereby assigns to Assignee, solely as to the Assignee Property and on a non-exclusive basis, the following rights and duties of Declarant under the Declaration and the Bylaws (collectively, the "**Assigned Rights**"):

- (i) Declarant's rights and duties under Sections 3.7 of the Declaration, provided that no existing lot may be subdivided into more than two (2) lots without the advance written consent of Assignor.
- (ii) Declarant's rights and duties under Section 3.8 of the Declaration, provided that no lots may be consolidated without the advance written consent of Assignor.
- (iii) Declarant's rights and duties under Section 4.2(b) of the Declaration within Assignee's Property, subject to the Declarant's and the Association's rights under Section 4.2(b).
- (iv) Declarant's rights and duties under Section 5.3 of the Declaration, which shall be exercised in a professional and reasonable manner.
- (v) Declarant's rights and duties under Section 7.2(b) of the Declaration to construct Improvements on any Unit, to store construction materials and equipment on such Units in the normal course of construction, and to use Units as sales or rental offices or model homes or apartments for purposes of sales or rental in RidgeWater, which rights and duties shall be exercised in a professional and reasonable manner.
- (vi) Declarant's rights and duties under Section 8.1 of the Declaration, provided that (i) no Improvement shall be commenced, erected, placed, or altered on any Unit until the construction plans and specifications showing the general nature, shape, heights, materials, and colors of the Improvements have been submitted to and approved by Declarant, and (ii) all Improvements shall be consistent with and in compliance with the Declaration.

- (vii) To the extent permitted by the Bylaws and applicable law, Declarant's rights and duties under Sections 4.13(a) and (b) of the Bylaws relating to the right to written notice of meetings and to join in the discussion to make Assignee's concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. For clarity, this assignment does not include a right of disapproval.

This assignment of the Assigned Rights is made without any representation or warranty, except as provided in Section 9 below. All Assigned Rights shall be exercised in compliance with the terms and conditions of the Declaration and the Bylaws and shall be subject to any related Declarant duties and obligations. Except as to the non-exclusive assignment of the Assigned Rights, all other rights are reserved to Assignor as "Declarant" under the Declaration and/or Bylaws (collectively, the "**Reserved Rights**") and shall remain the sole and separate property of Assignor. For clarity, Assignor also retains Assignor's rights in the non-exclusive Assigned Rights. In each instance above in which the approval or consent of Assignor is required, such approval or consent shall not be unreasonably withheld, conditioned, or delayed. For clarity, Assignee's rights under Sections 2, 3 and 4 of this Assignment shall only apply to each specific lot comprising the Assignee Property so long as Assignee has the right to purchase the lot pursuant to the terms of the Option Agreement.

3. **Approvals.** Declarant's approval of Assignee's proposed subsurface sewage disposal systems and walls pursuant to Section 7.11 or signage pursuant to Section 7.12(a)(iv) will not be unreasonably withheld, conditioned, or delayed. Additionally, Assignor shall not issue its approval under Section 7.30 or Section 14.2 of the Declaration if it would materially and negatively impact the Assignee or the Assignee Property, while subject to the terms of the Option Agreement, without Assignee's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Furthermore, Declarant shall not designate any portion of the Assignee Property as "Restricted Area" under Section 5.11 of the Declaration without Assignee's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. For clarity, this provision does not limit the Association's rights under Section 5.11. Finally, Assignee may use the name of the Community in a professional and reasonable manner in connection with marketing, advertising, and sales activities for the Assignee Property.

4. **Covenant to Annex.** If not already subject to the Declaration, Assignor hereby covenants and agrees that Assignor shall cause the annexation of real property to the Declaration which is subject to potential purchase pursuant to the Option Agreement (such as Lots 5, 6, 7, 9, 10, 11, 12 and 16 of TRACT 1506 (TIMBERS, PHASE 1)), as provided under Section 2.2 of the Declaration, upon request from Assignee from time to time, provided such real property is owned by Assignee or Assignor, was previously owned by Assignor (if not owned by Assignor at the time in question), and is subject to a final subdivision plat/map on which are located other subdivision lots encumbered by the Declaration.

5. **Assumption of Rights.** Assignee, with respect to the Assignee Property, hereby assumes and accepts the rights, and related duties, assigned to and/or created in favor of Assignee herein.

6. **No Limitation of Rights.** Nothing herein shall be deemed a modification or limitation of any other rights granted to or reserved in favor of Assignor or Assignee under the Declaration or the Bylaws.

7. **Indemnification and Acknowledgement.**

7.1 **Assignee Indemnity.** Assignee hereby agrees to indemnify, protect, defend, and hold Assignor harmless against any and all damages, losses, claims, causes of action, expenses, assessments, fines, costs and liabilities (including without limitation, all interest, penalties and attorney's fees) ("**Losses**") that arise from or relate to the existence or exercise of the Assigned Rights after the Effective Date; excluding, however, any such loss to the extent stemming from Assignor's exercise or non-exercise of the Assigned Rights, or Assignor's gross negligence or willful misconduct. Assignee shall also indemnify, defend, and hold harmless Declarant from any and all Losses which relate to or arise from Assignee's use of the "Ridgewater" name.

7.2 **Indemnification Procedure.** The following provisions govern actions for indemnity under this Assignment. Promptly after receipt by Assignor of notice of any claim, Assignor will, if a claim in respect thereof is to be made against Assignee, deliver to Assignee written notice thereof and Assignee shall have the right to participate in and, if Assignee agrees in writing that it will be responsible for any costs, expenses, judgments, damages, and losses incurred by Assignor with respect to such claim, to assume the defense thereof, with counsel mutually satisfactory to the parties; provided, however, that Assignor shall have the right to retain its own counsel, with the fees and expenses to be paid by Assignee, if Assignor reasonably believes that representation of Assignor by the counsel retained by Assignee would be inappropriate due to actual or potential differing interests between Assignor and any other party represented by such counsel in such proceeding. The failure of Assignor to deliver written notice to Assignee within a reasonable time after Assignor receives notice of any such claim shall relieve Assignee of any liability to Assignor under this indemnity only if and to the extent that such failure is prejudicial to its ability to defend such action. Consent to a proposed settlement will not be unreasonably, withheld, conditioned, or delayed by Assignee. If Assignor settles a claim without the prior written consent of Assignee, then Assignee shall be released from liability with respect to such claim unless Assignee has unreasonably withheld, conditioned, or delayed such consent.

Notwithstanding the foregoing, Assignor shall use commercially reasonable efforts to recover indemnifiable damages under any independent, third-party insurance coverage that is maintained by it or Assignee, and, to the extent of any actual insurance recovery (net of expenses, premium increases and other costs associated with obtaining such recovery), the indemnifiable damages hereunder shall be reduced (or refunded to the extent previously paid).

7.3 **Acknowledgement of Non-Responsibility.** Assignor and Assignee hereby acknowledge and agree that Assignee has no liability or responsibility with respect to the exercise or non-exercise of (i) any Declarant rights under the Declaration or the Bylaws prior to the Effective Date, or (ii) the Assigned Rights after the Effective Date to the extent such rights are exercised or not exercised by any party other than Assignee, its successor or assigns.

8. **Assignment.** Assignee shall not assign, transfer or convey its rights or obligations under this Agreement without the prior, written consent of Assignor, in Assignor's reasonable discretion. Subject to the foregoing, and except as provided to the contrary herein, the terms, covenants, conditions and indemnifications contained herein and the powers granted hereby shall inure to the benefit of and bind all parties hereto and their respective heirs, executors, administrators, successors and assigns. Any assignment under this paragraph is conditioned on the assumption by assignee of all of the duties, obligations and indemnities in writing, with a copy of the assignment to be provided to Assignor. In the event of a change in control of Assignee (including, without limitation, any successor Assignee) in which neither Frederick M. Bates nor Frederick M. Bates, Jr. remains as a manager of such Assignee, such change in control shall be deemed to be an assignment requiring the consent of Assignor.

9. **Authorization.** Subject to the provisions and limitations contained in this Assignment, Assignor and Assignee each represent and warrant to the other that it has the full power and authority to enter into this Assignment and that the execution and delivery of this Assignment have been duly authorized. Assignor and Assignee acknowledge that neither is an affiliate of the other.

10. **Recordation.** This Assignment shall be recorded in the Official Records.

11. **Governing Law; Binding Effect.** This Assignment shall be construed under and enforced in accordance with the laws of the State of Oregon, and, subject to Section 7 above, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

11. **Counterparts.** This Assignment may be executed in counterparts, each of which when so executed shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

12. **Bates Indemnification Obligations.** Pursuant to the terms and conditions of the Option Agreement, including, without limitation, Section 8.2 thereof, Bates' shall continue to remain fully liable for all representations, warranties, indemnifications and obligations under the Option Agreement, and Bates' indemnification obligations under the Option Agreement shall extend to all of the Assignee's representations, warranties, indemnifications, duties and obligations under this Assignment. Bates' signature below is solely in acknowledgement and agreement of the terms and conditions of this paragraph 12.

[SIGNATURE PAGES FOLLOW]

Signature page to Assignment of Declarant's Rights

IN WITNESS WHEREOF, each party is signing this Assignment as of the date of the notarization of such party's signature, but in each case to be effective as of the date this Assignment is recorded in the Official Records (the "Effective Date").

ASSIGNOR:

**Trinity Asset Holdings Co., LLC,
a California limited liability company**

By: 

Name: Charles Blackburn

Its: Managing Member & CEO

State of _____)

County of _____)

This instrument was acknowledged before me on _____, 2024, by _____ as _____ of Trinity Asset Holdings Co., LLC, a California limited liability company.

**See Attachment
for Notary Seal**

Notary Public
My commission expires _____

Signatures continue on next page.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Shasta)

On 09/19/2024 before me, S. Blalock, notary public

Date

Here Insert Name and Title of the Officer

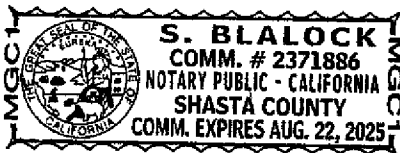
personally appeared Charles Blackburn

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Assignment of Declarant's Rights

Document Date: 09/19/24 Number of Pages: 7

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer -- Title(s): _____

☐ Partner -- ☐ Limited ☐ General

☐ Individual ☐ Attorney In Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer -- Title(s): _____

☐ Partner -- ☐ Limited ☐ General

☐ Individual ☐ Attorney In Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signature page to Assignment of Declarant's Rights (continued)

ASSIGNEE:

**Ridgewater, LLC,
a Delaware limited liability company**

By: Bates Properties Reno, Inc.,
a Nevada corporation

Its: Manager

By: Frederick M. Bates

Name: Frederick M. Bates

Its: President

State of Idaho)

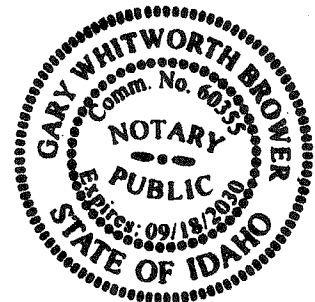
County of Blaine)

This instrument was acknowledged before me on 19 September, 2024, by Frederick M. Bates as President of Bates Properties Reno, Inc., a Nevada corporation, Manager of Ridgewater, LLC, a Delaware limited liability company.

Gary W. Brower

Notary Public

My commission expires 09/18/2030

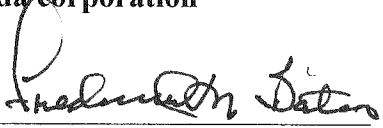


Signatures continue on next page.

Signature page to Assignment of Declarant's Rights (continued)

BATES:

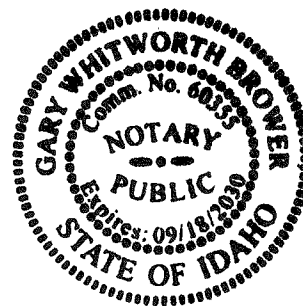
**Bates Properties Reno, Inc.,
a Nevada corporation**

By: 
Name: Frederick M. Bates
Its: President

State of Idaho)
)
County of Blaine)

This instrument was acknowledged before me on 19 September, 2024, by Frederick M. Bates as President of Bates Properties Reno, Inc., a Nevada corporation.

Gary W. Brower
Notary Public
My commission expires 09/18/2030



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