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FOREWORD

Sunriver is a two phase development located in Deschutes County, Oregon. The Plan of Sunriver dated June 20, 1968, was recorded in the Deed of Records of Deschutes County in Volume 159 at Page 198 and following. At the time of this writing, Sunriver Phase 11 is under development pursuant to a document entitled Plan of Sunriver Phase 11, dated June 4, 1976, and recorded in the Deed Records of Deschutes County Volume 233 at Page 831 and following. The real property subject to such plans is described in subsequent declarations subjecting areas to such plans. The owners of each phase of the development have the right to use common areas and facilities in the other phase and the responsibility to share in the costs of maintenance of centrally operated facilities, pursuant to a Reciprocal Easement Agreement dated June 24, 1976 and recorded in the Deed Records of Deschutes County in Volume 233, Page 823.

The Developer and the owners of units in both phases of development in Sunriver wish to consolidate the respective plans into a unitary development under a single plan. This document shall be the comprehensive plan for all of Sunriver and shall become effective on the first day of the year following its adoption or on the first day of the calendar quarter following its adoption, whichever should first occur. On such effective date the Plan of Sunriver and the Plan of Sunriver Phase II shall be amended and superseded by this Plan and the Reciprocal Easement Agreement shall be terminated. The new plan shall be known as the Consolidated Plan of Sunriver. It shall contain, among other things, conditions which shall subject portions thereof to certain easements, restrictions, assessments, liens and covenants. Replacement of the original Plan of Sunriver and/or the Plan of Sunriver Phase II shall in no way abrogate the previously recorded deed restrictions or their declarations.

Sunriver is a planned community comprised of interrelated villages containing homes, condominiums, recreational, shopping facilities and a resort complex located on 3,373 acres of high desert, meadow and thickly forested land in Deschutes County, Oregon.

From the effective date of this Plan the Administrator will assume full responsibility for the management, maintenance, protection and preservation of Sunriver as outlined in its Articles of Incorporation and under the CONSOLIDATED PLAN OF SUNRIVER.

From its inception in 1968 the intent of the planners, ecologists and developers alike was to create a community which would provide an unusually attractive place to live, appealing especially to sports enthusiasts, outdoorsmen, retirees, artists and others attracted to a controlled area of natural scenic beauty. The clear clean air, the river, the river banks, the meadows, the marshes, the lakes, the trees, the wildflowers and wildlife constitute a community treasure. Open areas provide broad vistas of national forest and high Cascade Mountains. Ecological vigilance has been a major concern since the beginning of planning.

Residential areas in Sunriver are identified within villages, each with its own declarations and restrictions as to use of property. The villages are diverse in character. Some were designed for single family dwelling purposes; others for condominiums or buildings suitable for multiple family occupancy; still others embrace a mixture of the several building concepts.

Those living in Sunriver may enjoy many advantages on a relatively economical basis since provision has been made for shared costs of common recreational and service facilities. Common areas are provided within the villages for use by all residents of Sunriver and their guests. Special recreational facilities suitable for common use, with or without charge, are established in some common areas.

Provision for and maintenance of strict standards for the improvement of private areas within Sunriver assure that property will have maximum value for those who acquire it. By requiring proper maintenance of improvements and grounds within private areas, deterioration of any individual property is prevented. Quality of life is enhanced by underground utilities, television cables and sewer.

Funds for the maintenance of the common areas, private ways, leased scenic areas and community property recreational and service areas are provided through payment by each property owner of his share of the monies needed for the maintenance of such areas. The community’s administration is similarly funded on a pro rata basis. The community’s fire prevention and protection, security, law enforcement, emergency medical and ambulance services are provided by the Sunriver Service District and funded through an ad valorem tax base.
The following is the CONSOLIDATION PLAN OF SUNRIVER

SECTION 1 DEFINITIONS

Set forth herein are definitions for certain terms used in the Consolidated Plan of Sunriver.

1.01 Administrator of Sunriver and Administrator shall mean the Developer until such time as the Developer has delegated and assigned to the Sunriver Owners Association all of its powers and responsibilities hereunder as provided in Section 9.01 herein.

1.02 Appeals Board shall mean the body designated to hear appeals from Sunriver Design Committee decisions, the membership of which shall be as set forth in Section 8.05 herein.

1.03 Commercial Area shall mean any area designated as such in a Sunriver declaration as provided for in Section 3.06 herein.

1.04 Commercial Property Owner shall mean the person or persons who hold legal title to any parcel of property designated as a commercial area, unless provision is made in a Sunriver Declaration applicable to a commercial area to the effect that a lessee or other person entitled to possession of the commercial area shall be the commercial property owner, in which case the person so designated shall be the commercial property owner. Where a commercial area is owned by more than one person, the designation "commercial property owner" shall be deemed to apply to all such owners collectively.

1.05 Common Area shall mean any area designated as such in a subdivision plat of a village or in a Sunriver declaration.

1.06 Condominium shall mean any property submitted to unit ownership in any manner provided by ORS 94.004 et. seq., or its predecessor, as such statutes may be amended from time to time.

1.07 Consolidated Plan of Sunriver shall mean this instrument which is dated and recorded in the Deed Records of Deschutes County, State of Oregon, in Volume 0113, Page 1158, and following

1.08 Design Committee shall mean the committee appointed pursuant to the provisions of Section 8.02 herein

1.09 Developer shall mean Sunriver Properties Oregon, Ltd., successor to Sunriver Properties, Inc., and its successor and assigns.

1.10 Guest shall mean any person other than a unit owner, who is authorized to occupy a unit with the direct or implied consent of the unit owner.

1.11 Leased Scenic Area shall mean any area in Sunriver owned and held by the Administrator for the benefit of residents of Sunriver as provided in Section 3.09 herein.

1.12 Maintenance Assessment shall mean any assessment imposed in accordance with Section 7 herein.

1.13 Maintenance Fund shall mean the separate fund comprising all money collected for maintenance assessments together with all other monies added to the maintenance fund pursuant to the provisions hereof or any Sunriver Declarations and held in trust by the Administrator to be used solely for the purpose, listed in Section 7.04 herein.
1.14 **Owner** shall mean each unit owner, commercial property owner, and resort property owner as the same are defined herein.

1.15 **Private Area** shall mean any area designated as such in a subdivision plat of a village or in a Sunriver Declaration.

1.16 **Private Recreational Area** shall mean any portion of a common area which is leased to unit owners for recreational purposes as provided in Section 3.07 herein and subject to the limitations therein set forth.

1.17 **Private Way** shall mean any area designated as such in a subdivision plat of a village or in a Sunriver Declaration.

1.18 **Resident of Sunriver** shall mean any person who is a unit owner or lessee of a unit in Sunriver, together with members of his immediate family provided that a person shall be a resident only during the period when he is in possession of his unit.

1.19 **Resort** shall mean any area designated as such in a Sunriver Declaration.

1.20 **Resort Property Owner** shall mean the person or persons who shall hold legal title to any parcel of property designated as a resort area, unless provision is made in a Sunriver Declaration applicable to a resort area to the effect that a lessee or other person entitled to possession of the resort area shall be the resort property owner, in which case the person so designated shall be the resort property owner. Where a resort area is owned by more than one person, the designation "resort property owner" shall be deemed to apply to all such owners collectively.

1.21 **Semi-Public Recreation or Service Area** shall mean any area devoted to a service or recreational facility which is made available for use by the public, as well as by residents of Sunriver, as provided in Section 3.08 herein.

1.22 **Sunriver** shall mean all real property made subject to the prior plans of Sunriver of this plan.

1.23 **Sunriver Owners Association** shall mean an organization the membership of which shall be constituted by all owners of the property in Sunriver and as provided for in Section 10 hereof.

1.24 **Sunriver Declaration** shall mean any instrument previously recorded subjecting an area to the Plan of Sunriver, including any instruments recorded subjecting areas of Sunriver either to the original Plan of Sunriver or Plan of Sunriver Phase II and including any instruments which may be recorded in the future subjecting areas to this document.

1.25 **Sunriver Master Plan** shall mean that document filed with Deschutes County and dated November 9, 1982, replacing any Master Plan Maps previously filed in connection with either the Plan of Sunriver or Plan of Sunriver Phase II and including any subsequently adopted amendments.

1.26 **Sunriver Rules and Regulations** shall mean any rules and regulations adopted by the Administrator as provided in Section 6 herein.

1.27 **Unit** shall mean each lot described in any subdivision plat or partition of a village in Sunriver which is designated as a private area, or any condominium unit within a village, and any single family dwelling unit within any multiple occupancy building. If in any case an owner shall have consolidated a lot or portion thereof with another lot in the manner set forth in Section 5 herein, the area consolidated shall be considered one unit. Lots may be designated in two parts, "buildable area" and "open area," controlling the manner in which portions of the lot(s) may be utilized. "Unit" in this case means both the buildable and open areas of any lot, which together constitute one unit.
1.28 **Unit Owner** shall mean the person or persons who hold legal title to any unit, unless provision is made in a Sunriver Declaration applicable to a village to the effect that a lessee or other person entitled to possession of the unit shall be the unit owner, in which case the person so designated shall be the unit owner. Where units are owned by more than one person, the designation "unit owner" shall be deemed to apply to all such owners collectively.

1.29 **Village** shall mean any area subjected to the Consolidated Plan of Sunriver in the manner provided in Section 2, which contains private areas for residential use, together with any areas which may be annexed thereto.

1.30 **Village Association** shall mean any association recognized by the Administrator for a particular village in such manner as to entitle one of the unit owner of each unit within the village to membership in the Village Association by virtue of his being a unit owner. Village Association shall also include any association of unit owners organized pursuant to the provisions of ORS 94.007 et. seq. or its predecessor for the administration of a condominium subject to the Consolidated Plan of Sunriver.

**Section 2** **SUBJECTION OF PROPERTY TO CONSOLIDATED PLAN OF SUNRIVER**

"Sunriver" shall mean all real property presently made subject to the prior plans of Sunriver, the Consolidated Plan, or any additional areas annexed to this Plan as provided in this Section 2. “Sunriver Declaration” shall mean any instrument previously recorded subjecting an area to the Plan of Sunriver, Plan of Sunriver Phase II and any instruments which may be recorded in the future subjecting areas to this document. The Consolidated Plan is not intended to in any way affect any existing Sunriver Declaration.

2.01 **Additional Areas.** Those portions of the real property described in Exhibit "A" attached hereto and by this reference made a part thereof not now subjected to either the Plan of Sunriver or the Plan of Sunriver Phase II may be subjected to the Consolidated Plan by the Administrator and Owner filing a Declaration in the records of deeds of Deschutes County, Oregon, providing that a particular area shall be subject to the Consolidated Plan.

Once the Consolidated Plan becomes effective, the Administrator of that Plan shall retain the right to subject additional areas not included within Exhibit "A" to the Consolidated Plan but shall do so only with the approval, by affirmative vote, of not less than sixty percent (60%) of the votes cast by owners as defined in Section 1.14.

2.02 **Sunriver Declarations** shall:

a. Describe the area to be annexed.

b. Recite the purpose of the declaration to subject the area to the Consolidated Plan of Sunriver.

c. Designate, where applicable, which areas within the area to be annexed are private areas, semi-public recreational or service areas, private recreational areas, commercial areas, resort areas, or other types of areas allowed by the Sunriver Master Plan and which are consistent with previously recorded Plans and declarations. Specifications must also, when necessary, show which portions of each unit are designated as buildable or open areas, and impose any other use restrictions as may be appropriate providing such restrictions are consistent with the Sunriver Master Plan and recorded Conditions, Covenants and Restrictions.

2.03 **Effective Date of Annexation.** From and after the date a Sunriver declaration is filed in the deed records of the County of Deschutes, the area designated therein shall be subject to the Consolidated Plan of Sunriver and to all terms, covenants and conditions contained therein.
Section 3   LAND CLASSIFICATIONS AND USES WITHIN SUNRIVER

3.01 Classifications, Waivers of Partition. Land classifications of areas subjected to the Consolidated Plan of Sunriver and land classifications within areas to be subjected to the Consolidated Plan of Sunriver are private areas, common areas, limited common areas, private ways, commercial areas, resort areas, private recreational areas, semi-public recreational or service areas and leased scenic areas. The Administrator will acquire title to common areas, private ways and other areas and classifications of property created in Sunriver declarations which are essential to the use and enjoyment of the units. The Sunriver Owners Association shall acquire in its own name title to said areas not later than January 1, 1987. Except as otherwise provided herein, or by operation of the law, there shall be no partition of common areas, private ways or other property owned by the Sunriver Owners Association or dedicated for common use pending ultimate deeded transfer to the Sunriver Owners Association.

3.02 Private Areas. Restrictions on and rules and regulations governing the use of private areas within a particular village shall be set forth in the Sunriver Declaration which creates the village. By accepting a deed or lease of a private area within a village the grantee shall covenant that he will use and permit the use of the property only in accordance with, and that he will abide by and cause all those who come upon his premises to abide by the restrictions, covenants and conditions contained in the Consolidated Plan of Sunriver and the Sunriver Declaration creating the village or annexing the area to the village and in the rules and regulations promulgated thereunder; that he will pay to the Administrator of Sunriver all amounts provided for in the Consolidated Plan of Sunriver and in such Sunriver Declaration; and that his property will be subject to a lien or liens as provided in such instruments. For the protection of all owners of Sunriver, the Administrator of Sunriver shall be generally responsible for the enforcement of such restrictions, covenants, conditions, rules and regulations.

3.03 Private Ways. Each owner and each resident of Sunriver shall have a non-exclusive easement to use private ways for the purpose of pedestrian or vehicular traffic thereon by appropriate means. Each owner and each resident of Sunriver may permit his guests and invitees to use the private ways for such purposes. The easement so created shall be appurtenant to and assignable with the property with respect to which it is granted, but shall not otherwise be assignable. Use of private ways shall be subject to Sunriver Rules and Regulations. The Administrator of Sunriver also may grant free access on private ways to police, fire and other public officials, to employees of utility companies serving Sunriver and to such other persons to whom the Administrator of Sunriver believes access should be given for the benefit of owners of Sunriver. Developer and/or the Administrator may use private ways for its own purposes and for the purposes of location of utilities thereon. The Administrator of Sunriver, with the consent of the Board of Directors of the Sunriver Owners Association, may dedicate private way to the public.

3.04 Common Areas. Each resident of Sunriver shall have a non-exclusive easement to use common areas for such recreational purposes as may be permitted by the Sunriver Rules and Regulations and in the manner permitted thereon. Each unit owner and each resident of Sunriver may permit his guests to use common areas for such purposes and in such manner, subject to the terms of the Sunriver Rules and Regulations. Common areas shall not be platted or otherwise divided into parcels for residential use. The Administrator of Sunriver may develop special recreational or service facilities on portions of the common areas for the general use and benefit of the public and all residents of Sunriver and their guests. The Administrator of Sunriver may from time to time permit residents of Sunriver to use designated portions of common areas for recreational or service uses of benefit to such residents only (as for example, maintaining a volleyball or badminton court) provided that such permission shall be revocable at any time. The easements and rights herein granted shall be appurtenant and assignable with the unit in respect to which it is granted, but shall not be otherwise assignable. The Administrator of Sunriver may dedicate common areas for owners’ park purposes. The Administrator shall have the authority, acting in its sole discretion, to take all steps reasonably
necessary to grant governmental entities or utilities an easement over any common area for purposes of constructing, improving or widening existing roads, installing new utilities or improving existing utilities within Sunriver provided, however, that in exercising such discretion the Administrator shall be required to act in the collective best interest of members of SROA. No such dedication shall be deemed to arise by implication or by use, but only by an instrument of express grant or dedication duly filed in the Deed Records of the County of Deschutes, State of Oregon. Any other use, development or modification of common area requires the prior written consent of the Administrator. Notwithstanding anything to the contrary herein contained, however, the Administrator shall not construct improvements or perform work of capital additions to or alterations in common area, requiring an expenditure from the Maintenance Fund in excess of ten thousand ($10,000) dollars without prior approval by vote of not less than sixty percent (60%) of the votes cast by owners, other than developer owned units so long as Developer is the Administrator. Common areas shall be reserved in perpetuity for use of the owners except as herein otherwise provided.

The Association may convey any portion of any common area to an owner of any resort area or commercial area subject to the Consolidated Plan of Sunriver, or to a village association subject to the Consolidated Plan of Sunriver, provided that the Association shall receive as consideration an equivalent parcel of property based on value and, further provided that any such conveyance shall be approved by the same number of members of the Association as required to approve any capital expenditure in excess of $25,000 as provided in Section 7.04 and that no less than 60 percent of the votes cast by the unit owners in the village in which the common area is located also approve such conveyance.

3.05 Limited Common Areas. Limited common areas are areas so designated in a Sunriver Declaration subject to non-exclusive use by owners of units benefitted by the limited common area so designated on such declarations. The costs of maintaining all limited common areas shall be assessed solely to those units which have the right to use the limited common area. In all other respects, the limited common areas shall be treated as common areas hereunder.

3.06 Commercial Areas. Commercial areas are areas designed for commercial, office, retail, privately owned recreational or other non-residential uses consistent with the Sunriver Master Plan. Restrictions on and rules and regulations governing the use of commercial areas shall be set forth in the Sunriver Declaration used to submit the area to the Consolidated Plan of Sunriver. By accepting a deed or lease to a commercial area within Sunriver, the grantee shall be deemed to have covenanted that he will use and permit use of the property only in accordance with, and that he will abide by and cause all those who come upon his premises to abide by the restrictions, covenants and conditions contained in the Consolidated Plan of Sunriver, in the applicable Sunriver Declaration and in the Rules and Regulations promulgated thereunder, and that he will pay to the Administrator of Sunriver all amounts provided for in the Consolidated Plan of Sunriver and in such Sunriver Declarations, and/or in such other agreement entered into for reimbursement for consumer services. He further agrees that his property will be subject to a lien or liens provided in such instruments. The Administrator of Sunriver will be responsible for the enforcement of such restrictions, covenants, conditions, rules and regulations.

3.07 Private Recreational Areas. Unit owners or groups of unit owners may, at the discretion of the Administrator, be permitted to use portions of the common area to develop facilities such as a swimming pool or tennis court for private use upon terms and conditions hereinafter set forth. The Administrator of Sunriver may lease a portion of the common areas to which he has title to a group of not less than five unit owners who wish to develop the same for their private recreational use, subject to the following conditions:

a. Any such lease shall be first approved by the Board of Directors of the Sunriver Owners Association.

b. Rental income pursuant to the lease must be added to the Maintenance Fund.
c. Not more than ten percent of the common area in any village may be so leased at any one time.

d. The lease shall provide that the lessees shall use the leased area solely for the development of a recreational facility thereon for private non-commercial use of the lessees.

e. The lease shall preclude the lessees from operating a private recreational facility on the leased premises for profit or from permitting anyone other than Sunriver residents and their guests from using the facility.

f. The lease shall provide that the lessees shall erect or construct a designated recreational facility on the leased premises within a specified time in accordance with standards to be fixed by the Design Committee and that they shall maintain the improvements at their own cost and expense in accordance with standards which shall be fixed by the Design Committee.

g. The lease shall provide that (1) ad valorem real property taxes assessed against any improvement constructed on a private recreational area shall be borne by the lessees, (2) payment of rental shall be made to the Administrator of Sunriver on terms absolutely net to the Administrator and, (3) with full indemnification against any responsibility by reason of the private recreational facility or activities conducted therein supported by liability insurance in companies and amounts approved by the Administrator of Sunriver, with certificate of insurance coverage protecting against cancellation without prior written notice to the Administrator of Sunriver.

h. No person shall be excused from paying any part of the maintenance assessment by virtue of his use of a private recreational area in lieu of a facility available to all residents of Sunriver. No lessee of a private recreational facility shall be entitled to any offset or reduction of maintenance assessments by reason of his maintenance and/or operation of a private recreational facility.

3.08 Semi-Public Recreational or Service Areas. Certain kinds of recreational and service facilities can only be made available to the owners and residents of Sunriver on an economical basis if the general public is allowed to use the facilities along with the owners and residents of Sunriver. For example, it may be advantageous to residents of Sunriver to establish a facility which may only be operated on a self supporting basis if fees can be collected from the general public for use thereof. Therefore, the Administrator may designate certain areas in Sunriver as constituting "semi-public recreational or service areas" if each of the following conditions are met:

a. Provisions must be made for use of the facility by residents of Sunriver and their guests in the manner permitted by Sunriver Rules and Regulations.

b. Fees charged unit owners and residents of Sunriver and their guests for use of the facility shall be no higher than those charged members of the public for an equivalent use or service.

c. Cash proceeds from the operation of the facility shall be added to the Maintenance Fund after deduction of all expenses attributable to such operations.

d. The recreational or service area shall conform to the zoning plan of Sunriver in all respects and such areas shall be subject to the Consolidated Plan of Sunriver and supporting declarations.

3.09 Leased Scenic Areas. It may add to the quality of Sunriver to devote areas within Sunriver to uses normal to or traditional in Central Oregon, even though such uses are of a nature which
requires that residents of Sunriver be barred from the areas while they are being so used. For example, lease of areas within Sunriver for the grazing of cattle or farming may add to the attractiveness of Sunriver. Therefore, areas may be designated "leased scenic areas" under the Consolidated Plan of Sunriver on the following conditions:

a. The Administrator of Sunriver may lease such areas to private parties if it deems this to be to the advantage of residents of Sunriver.

b. The Administrator of Sunriver shall be responsible for the maintenance of and payment of taxes on such areas.

c. During periods in which such areas are not leased or held for lease they shall be deemed common areas.

d. Any proceeds from the leasing of such areas shall be paid into the Maintenance Fund.

e. Any leases executed with respect to such areas shall impose upon the lessee rental sufficient to provide for the cost of maintenance and otherwise protect the unit owners from and indemnify them against any liability arising out of or in any way related to such activity.

3.10 Industrial Areas. Areas in Sunriver as specified in the Master Plan of Sunriver and in the Deschutes County Zoning Ordinance which are subjected to the Consolidated Plan of Sunriver and which are so located geographically and environmentally as to permit light industrial type activity without infringement on the primary residential qualities shall be known as Industrial Areas. Any service provided within an industrial area and funded by the Maintenance Fund shall be on a reimbursable basis in accordance with a formal written agreement as initiated by the Administrator of Sunriver. "Unit" ownership as defined in the Consolidated Plan of Sunriver shall not attach to any such industrial ownership or activity and, accordingly, no voting rights in accordance with the Consolidated Plan of Sunriver will accrue.

3.11 Resort. Certain areas within Sunriver are being made available for use and enjoyment by the public. These areas may include recreational facilities, overnight accommodations, eating establishments, meeting rooms, convention facilities and other similar uses typically provided for the use of the vacationing public for their use and enjoyment in Central Oregon. Restrictions on and rules and regulations governing the use of resort areas shall be set forth in the Declaration used to submit the area to the Consolidated Plan of Sunriver. Any owner, lessee, licensee or other user of any resort area shall be deemed to have covenanted to use the property only in accordance with, and to abide by and cause all those who come upon his premises to abide by the restrictions, covenants and conditions contained in the Consolidated Plan of Sunriver and in the applicable Sunriver Declaration, and that he will pay to the Administrator of Sunriver all amounts provided for herein. He further agrees that his property will be subject to a lien or liens provided for in the Consolidated Plan of Sunriver or applicable Sunriver Declaration. The Administrator of Sunriver will be responsible for the enforcement of such restrictions, covenants, conditions, rules and regulations.

3.12 Use Restrictions. All portions of Sunriver shall be used subject to the following use restrictions:

a. Nuisance. No excessive or unnecessary noise shall be generated by vehicles, persons, appliances, tools or pets. Each owner shall be responsible for compliance with this covenant with respect to his own behavior and that of his guests, licensees and invitees on the private areas, commercial areas, resort areas, common areas, private ways, private recreational areas, semi-public recreational or service areas and leased scenic areas.

b. Restrictions on Motorized Vehicles. Except with respect to golf carts or carts specifically approved by the Administrator, no motorized vehicle shall be operated anywhere except upon a surfaced roadway, nor shall it be parked in other than a designated parking area.
c. Restrictions on Bicycle Paths. Bicycle paths shall be used solely for non-motorized cycles and pedestrian use.

d. Motor Homes, Trailers, Campers, and Camping Equipment. Motor homes, campers, trailers or other camping equipment shall not be used for overnight living accommodations at Sunriver. Temporary parking is permitted only with the consent of the Administrator.

e. Control of Pets. No pets or domestic animals shall be permitted to run loose or unattended. Pets shall be leashed or under an owner's voice control or confined to the owner's private area. No animals other than pets shall be kept or raised in any private area except household pets and domestic animals not used for any commercial purpose. Any pets or domestic animals running loose or unattended outside the private area of the owner thereof may be impounded by the Administrator and the cost of such impoundment may be assessed to the owner thereof as a fine hereunder. Any pets or domestic animals which create a nuisance or disturb the peace shall be removed from Sunriver upon written demand by the Administrator.

f. Firearms or Other Weapons. No firearms, air pistols, archery, slingshots, fireworks or any other weapons or projectiles shall be used or discharged anywhere within Sunriver, except in such areas as may be designated in writing by the Administrator with appropriate controls and constraints imposed in connection therewith.

g. Littering. Each unit owner shall be responsible for maintenance of his private area in a manner which keeps it free of rubbish and debris, brush and dried grass and other material likely to create or cause a nuisance or fire hazard. No person shall litter or dispose of trash or rubbish anywhere in Sunriver except in appropriate trash receptacles or areas designated by the Administrator.

h. Home Occupation. Any lawful occupation carried on by a resident of a dwelling as an accessory use within the same dwelling or in an accessory building on the same property is permitted only under the following conditions: that there be no retail sales or sales accessory to a service; that there be no full-time employees except members of the immediate family, that the external appearance of the premises is not affected in a way inconsistent with its use as a residence; and that no unreasonable parking problems are caused for surrounding residents.

3.13 Correction of Siting/Surveyor Errors.

a. General. Notwithstanding any other provision of the Consolidated Plan, upon discovering that improvements located on a unit encroach on common area located adjacent to such unit (such encroaching area being referred to herein as the “Occupied Area”) the Administrator shall have the authority to take the actions set forth in subsection (b) to vest title in the Occupied Area in the owner of such unit; provided, however, that the Administrator shall only be able to take such actions following a finding by the Administrator that the requirements of subsections (b) and (c) have been satisfied. For purposes of this Section 3.13 an “improvement” shall mean a manmade structure only and shall not include landscaping.

b. Corrective Action. In order to correct a situation of the type specified in subsection (a), the Administrator shall have the authority to convey the Occupied Area to the unit owner who owns the encroaching improvements; provided, that in exchange for such conveyance, SROA shall receive a portion of the owner’s unit substantially equal in size or value to the Occupied Area. The location and configuration of the portion of the unit conveyed by the unit owner to SROA shall be subject to approval of the Administrator in its sole discretion. If the Administrator determines, in its sole discretion, that the location or use of the Occupied Area or the configuration of the owner’s unit makes it physically impractical to enter into a land
exchange of the type contemplated by the preceding sentence, the Administrator shall have
the authority to sell the Occupied Area to such unit owner for an amount in cash equal to the
fair market value of such Occupied Area. The fair market value shall be determined by a
certified appraiser selected by the Administrator. All corrective action costs shall be borne by
the unit owner and paid in cash at closing of the exchange of sale.

c. Requirements for Corrective Action. The Administrator shall only be entitled to take
action of the type set forth in subsection (b) upon a finding by the Administrator that either:
(1) SROA could be subject to a valid claim of adverse possession or prescriptive easement for
the Occupied Area: or (2) that each prong of the following test is met: (i) such action would
be in the collective best interest of the members of SROA; (ii) the encroachment was caused
by a previous owner; (iii) the cost of moving the encroaching improvement is prohibitive; (iv)
the owner has used and maintained the Occupied Area in a manner consistent with the use
and maintenance of the owner’s own unit. In addition, the Administrator shall only take part
in such conveyance following approval of a lot-line adjustment by the appropriate
governmental entity. The decision as to whether each prong of the aforementioned test has
been satisfied shall be made by the Administrator, in its sole discretion.

Section 4  SUNRIVER AS A PLANNED COMMUNITY

The property made subject to the Consolidated Plan of Sunriver and referred to herein as Sunriver has
been zoned Planned Community under the Deschutes County Zoning Ordinance PL-15, and is subject
to the Master Plan of Sunriver as adopted by the Deschutes County Board of Commissioners on
November 9, 1982. Planned community is defined by the Deschutes County Zoning Ordinance as
follows:

"A self-contained complex of residential, commercial, and industrial uses in the form of a
planned development in conjunction with an interrelated system for transportation, utilities,
recreational areas and other public facilities, constituting a separate community within the
county and at least 160 acres in size."

In addition to the covenants, conditions, restrictions and assessments provided for in this
Consolidated Plan of Sunriver, all uses of property within Sunriver are also subject to the Planned
Community Zone as set forth in the Deschutes County Zoning Ordinance, and are subject to certain
restrictions contained in the Master Plan of Sunriver.

Section 5  CONSOLIDATION OF LOTS WITHIN PRIVATE AREAS

Whenever a person shall own all of a lot restricted to single family residence use within a private
area, together with one or more contiguous lots or contiguous portions thereof also restricted to single
family residential use and shall wish to consolidate the basic lot and the additional lot or additional
portion, he may do so if such consolidation conforms to the other provisions hereof. The
consolidation shall be effected by filing in the deed records of the County of Deschutes a declaration
stating that the two areas are consolidated.

The consolidation shall have the following effects:

a. The consolidated areas shall constitute one unit for all purposes under the Consolidated
Plan of Sunriver and under the Sunriver Declaration pursuant to which the village in which
the consolidated areas are located was created, including the payment of maintenance
assessments.

b. The entire consolidated area may be used for only one single family dwelling or residence
c. No residence or structure may be placed upon the remainder of the lot, a portion of which was consolidated with another lot, but which remainder has not been consolidated with another lot unless the area of such remainder constitutes at least ninety-five percent (95%) of the original area of the lot.

d. Areas which have been consolidated may be partitioned to their original configuration when the following conditions are met: (i) partitioned lots shall conform to the original property lines of those lots; (ii) any structure shall comply with all provisions of the Deschutes County Building Code and Sunriver Owners Association Design Standards that are in effect on the date of partitioning; and (iii) assessment for each lot resulting from such partition shall be paid at the current assessment level and shall include a payment of back assessments for each lot from the date of consolidation to the date of partition plus simple interest at 9 percent per annum.

Section 6  SUNRIVER RULES AND REGULATIONS AND THEIR ENFORCEMENT

6.01 Sunriver Rules and Regulations. In the exercise of its power and in the performance of its obligations pursuant to the Consolidated Plan of Sunriver and of any Sunriver Declaration, the Administrator of Sunriver may adopt, amend or repeal rules and regulations to be known as Sunriver Rules and Regulations, to provide for the manner in which common areas (including special recreational facilities established thereon), private ways, semi-public recreational or service areas and other areas and classifications of property created in the Sunriver Declarations, which are essential to the use and enjoyment of the units, shall be used. To the extent provided in any Sunriver Declaration, the Sunriver Rules and Regulations may provide for the manner in which private areas, commercial areas, and resort areas may be used.

All rules and regulations must be applicable on a non-discriminatory basis. However, provisions uniformly applicable to a class of persons, such as children of particular ages, will not be deemed discriminatory. A current copy of the Sunriver Rules and Regulations shall be kept on file at the principal office of the Administrator at all times. The Sunriver Rules and Regulations shall have the force and effect as if set forth herein as part of the Consolidated Plan of Sunriver.

6.02 Enforcement. The Sunriver Rules and Regulations shall be enforced in an impartial and uniform manner. The Administrator of Sunriver may impose penalties for the violation of the Sunriver Rules and Regulations subject to the following conditions:
   a. A fine schedule shall be established by the Administrator.
   
   b. Violations of a rule pertaining to the use of private ways shall be subject to a fine in an amount consistent with that imposed under laws applicable to public streets and highways.
   
   c. Should a fee not be paid by the person to whom it is imposed, it shall be paid by the unit owner or resort area owner who, by virtue of his ownership of the property, caused the person upon whom the fine was imposed to be a resident or visitor of Sunriver.
   
   d. The Administrator of Sunriver may provide that a person who has violated a rule or regulation shall be deprived of his right to use the common area, semi-public recreational or service areas or any specified parts of either for a period of not to exceed six months on account of any one violation or until such time as the violation has been remedied to the satisfaction of the Administrator.

6.03 Right of Notice, Opportunity to be Heard and Appeals in Connection with Fines. No person shall be subject to fines or penalties pursuant to Section 6.02 hereof without prior written notice of the offense and an opportunity to be heard. Any person upon whom a notice of fine or penalty has been imposed pursuant to Section 6.02 hereof who deems that such a fine or penalty was
unfairly imposed, either because he did not violate a rule, regulation or provision as charged or because the fine or penalty imposed is unduly severe, may appeal from the imposition of the fine or penalty by filing a statement to that effect with the Administrator within 30 days after notice of the fine or penalty has been served. All appeals shall be determined by a body to be known as the Sunriver Judicial Council as provided in Section 6.07 below.

6.04 Violation of Sunriver Declaration or Design Committee Rule by Prohibitive Activity
Any activity prohibited by the provisions hereof or by any Sunriver Declaration or Design Committee Rule may be enjoined by fine or appropriate equitable proceedings and the owner guilty of such prohibited activity shall also be liable for damages therefore or arising therefrom.

6.05 Violation of Sunriver Declaration by Prohibited Activity
In the event that any owner shall violate a provision of a Sunriver Declaration relating to activities, which may be conducted on his property or if any person on the property with the permission of the owner shall violate such a provision, the Administrator of Sunriver may impose a fine upon such owner in an amount determined in accordance with Section 6.02a for any one violation, subject to all of the limitations and conditions hereinafter set forth.

6.06 Payment of Fines. Each fine imposed pursuant to Section 6.02 hereof shall become payable by the person upon whom it is imposed ten days after delivery by the Administrator of notice thereof to the person by whom it is payable. If the fine is unpaid at the end of this period, the Administrator shall be authorized to file a lien against the property in question. Each notice of fine shall refer to the rule, regulation or provision which has been violated and set forth a statement of the conduct which the Administrator claims violated such rule, regulation or restriction describing the date and the events constituting the violation. All fines shall be paid into the Maintenance Fund.

6.07 Sunriver Judicial Council. All appeals of fines or penalties pursuant to Section 6.03 shall be determined by a body to be known as the "Sunriver Judicial Council" in accordance with such rules of procedure as the council may adopt from time to time. The Sunriver Judicial Council shall consist of not less than three persons who shall be appointed by the Administrator, at least two of whom shall be owners; provided, however, that no person shall serve as a member of the council while serving as a member of the Board of Directors of the Sunriver Owners Association. The Administrator shall keep on file at its principal office a list of the names and addresses of the members of the Sunriver Judicial Council. Any two members of the council may act for the council. The council shall render its decision on appeals determined by it in writing.

In the case of appeals from fines or penalties, written notice shall be given to the Administrator of Sunriver by any person or persons upon whom the fine or penalty was imposed. Pending a decision on appeal, collection of a fine or imposition of penalty shall be stayed. The decision of the council shall be binding on the Administrator and all other parties to the appeal to the extent permitted by Oregon law.

Prior to any determination of an appeal from a fine or penalty, the council shall hear evidence from the person(s) upon whom the fine or penalty is imposed, who shall have the right to confront the Administrator of Sunriver, hear the charges against him and be heard fully in refutation thereof. The council shall base its decision upon substantial, relevant evidence and render its decision in writing.

Section 7 MAINTENANCE FUND AND RESERVE FUND

7.01 Budget. From the effective date of the Consolidated Plan of Sunriver, the Administrator of Sunriver shall annually, with the approval of the Board of Directors of the Sunriver Owners Association, prepare an operations budget for the community for the ensuing calendar year as provided in this section. The budget shall include provision for maintenance, for capital expenditures and any proposed additions to the reserve account.
7.02 Imposition of Regular Assessments

a. The Administrator shall have the right to impose an assessment against each unit owner in an amount not to exceed $28.00 per month for each unit owned by each unit owner unless such amount shall be increased as provided in Section 7.02 a(l) and (2) herein. On or before January 1st of each year the Administrator shall notify each owner of the amount of the assessment to be imposed for each year.

   (1) The maximum amount of any maintenance assessment fund increase over the amount provided for above shall be limited to six percent (6%) in any one year commencing January 1, 1986, or by the increase occurring after January 1, 1986 over the level on January 1, 1986 of the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index, All Items, All Urban Consumers, United States City Average (1967 100), or the successor of such index, whichever is greater.

   (2) In the event that the Administrator shall deem the maintenance funds to be inadequate for the purposes for which it is to be maintained, taking into account the need for reasonable reserves for special purposes, the annual maintenance assessment may be increased above the amounts provided above, provided, however, that such increase shall have first been approved by a vote of not less than sixty percent (60%) of the votes cast by written ballot directed to all owners.

b. Any owner who pays the assessment to be imposed for all 12 months of the ensuing calendar year prior to February 1 of such year shall be entitled to a discount as determined annually by the Administrator. Assessments not so prepaid shall be paid in equal monthly installments of one-twelfth of the annual assessment amount. In the event that a person shall acquire a unit or his unit shall first become subject to assessment during the course of a calendar year, his first assessment shall come due on the first day of the month following the month during which he has acquired his unit or during which the unit first became subject to assessment.

No owner who disposes of his entire interest in a unit shall be liable for assessments against that unit levied or assessed after the date of sale or disposition thereof. Any past due assessment shall bear interest at the rate established by the Administrator.

c. A developer of condominium units shall pay regular monthly assessments for each such unit from the date construction is commenced until the respective unit is sold and the liability for the assessment transferred to the purchaser.

d. Each owner of any Resort Area shall pay an assessment determined by dividing the true cash value of any single tax lot or identified group of tax lots by the true cash value of all property in Sunriver as determined by the Deschutes County Tax Assessor to determine the percentage of the total true cash value. The percentage shall be applied to the total annual budget and multiplied by a weighted factor of eighty percent (80%). This shall be the assessment payable for the following year unless otherwise mutually agreed upon by the Administrator and the affected owners.

The applicable assessment for the golf courses shall be calculated in two steps as follows:

   (1) On the true cash value of the improvements, the percentage shall be determined in the same manner as above (7.02 d.).

   (2) On the true cash value of the land, the percentage of the total true cash value of all Sunriver property is calculated as the above (7.02 d.). Thereafter, this percentage is applied to the budgeted road maintenance expense and divided by two to produce the assessment payable for the following year.
In the event the taxing authorities do not or no longer appraise real property on the basis of its full fair market value, then the true cash value for purposes of this paragraph shall be determined by an independent qualified appraiser retained by the Association.

e. Each owner of any commercial area shall pay an assessment determined by dividing the true cash value of any single tax lot or identified group of tax lots by the true cash value of all property in Sunriver as determined by the Deschutes County Tax Assessor to determine the percentage of the total true cash value. That percentage of the total annual budget multiplied by a weighted factor of 50 percent shall be the assessment payable for the following year unless otherwise mutually agreed upon by the Administrator and the affected owner. In the event the taxing authorities do not or no longer appraise real property on the basis of its full fair market value, then the true cash value for purposes of this paragraph shall be determined by an independent qualified appraiser retained by the Association.

f. When any particular owner or owners request some special service not offered to all of the other owners, the Administrator may perform that service and charge the cost exclusively to the owners requesting the service.

g. Any unit, commercial area, or resort area which is exempt from ad valorem real property taxes under the laws of the State of Oregon shall be exempt from the imposition of any regular assessment imposed hereunder. Such properties shall not, however, be exempt from the imposition of any special assessment imposed hereunder.

### 7.03 Special Purpose Assessments.

In the event that the Administrator of Sunriver deems it to be at the advantage of the owners of Sunriver to impose a special purpose assessment to provide funds for the development of a particular facility or to provide funds to cover maintenance costs caused by conditions or occurrences not contemplated at the time of the approval of the annual budget, it may impose such a special assessment provided that the amount of the assessment and the terms upon which it is imposed have been approved by a vote of not less than sixty percent (60%) of the votes cast by written ballot directed to all owners.

All Special Purpose Assessments shall be applied uniformly to all owners. Owners in commercial and resort areas shall pay a proportionate share based on the formula set forth in Section 7.02. In the event that such an assessment is imposed, the Administrator shall add the monies derived therefrom to the Maintenance Fund but shall keep the same in a special account and shall use the same only for the purposes approved by the owners when they consented to the special assessment.

### 7.04 Maintenance Fund.

The Administrator shall keep all monies which it may collect for maintenance assessments together with all other monies which it is required to add to the Maintenance Fund pursuant to the provisions hereof or of any Sunriver Declaration in a separate fund to be called the "Maintenance Fund", and shall use the monies in the Maintenance Fund only for the following purposes:

a. Payment of the cost of maintaining private ways (including street lights, entrance and other signs), common areas, semi-public recreation or service areas, leased scenic areas and special recreational and other facilities on common areas of semi-public recreational or service areas, available for use by all of the residents of Sunriver;

b. Payment of taxes and assessments levied against private ways, common areas, semi-public recreational or service areas, leased scenic areas and the improvements thereon;

c. Payment of the cost of providing utility and/or public services as may be required to be provided from time to time and are not otherwise available through public entities or leased public utilities;
d. Payment of the cost of insurance, including insurance protecting the Administrator, the Design Committee, the Sunriver Owners Association and any village association against liability arising out of performance of their functions and activities in the administration of the Consolidated Plan of Sunriver;

e. Payment of the cost of enforcing the provisions contained in the Consolidated Plan of Sunriver, the Sunriver Rules and Regulations and the covenants and provisions contained in any Sunriver Declaration;

f. Payment to the Sunriver Owners Association or to a village association of costs incurred in the performance of any obligation of the Administrator which has been obligated to the Association or to any village association;

g. Payment of fees of the professional members of the Design Committee and of expenses incurred by the Design Committee;

h. Payment for other services which the Administrator deems to be of general benefit to unit owners of Sunriver;

i. Payment of costs incurred in collection of maintenance assessments;

j. Payment of any expense reasonably incurred by the Administrator in carrying out any function for which it has been given responsibility hereunder;

k. Payment of legal costs and accounting costs incurred by the Administrator in performance of its functions hereunder; and

l. Payment of the costs of fidelity bonds and faithful performance bonds with respect to the cash handling functions of the Administrator and such employees thereof as are responsible for collection and handling of cash to be deposited in the Maintenance Fund.

Included among the monies which are to be paid into the Maintenance Fund are all maintenance assessments, fees for use of recreational or service facilities located on common areas or semi-public recreational or service areas, Design Committee fees, rentals from leases of private recreational areas or leased scenic areas, interest on amounts payable into the Maintenance Fund and payment to reimburse the Administrator of Sunriver for monies expended from the Maintenance Fund. No part of the Maintenance Fund shall inure to the benefit of the Developer.

Notwithstanding anything to the contrary herein contained, however, the Administrator shall have no power to make expenditures exceeding $25,000 from the Maintenance Fund for capital improvements and additions without the affirmative vote of not less than sixty percent (60%) of the votes cast by written ballot directed to all owners.

The Administrator shall have no power to enter into any contract for the provisions of services or the purchase of goods having a term in excess of one year with the exception of (i) contracts for provision of public utilities services by a regulated public utility company (with the services contracted for being within the preview of the regulations) and (ii) contracts for insurance from insurance companies of good reputation at rates publicly available in the marketplace. In connection with any contract exceeding one year, the Administrator must obtain approval of the Board of Directors of the Sunriver Owners Association.

7.05 Default in Payment of Maintenance Assessments, Special Assessments, Charges and fines. Each maintenance assessment, special assessment, fine, or charge levied or imposed pursuant to the Consolidated Plan of Sunriver or any Sunriver Declaration, together with interest thereon at a rate set by the Administrator from the date the assessment, fine or charge became due until the date of payment, shall be a separate, distinct and personal debt and obligation of the owner or resident of Sunriver against whom the maintenance assessment, special assessment, fine or charge is levied or imposed or from whom the amount is due. If an owner fails to pay any such assessment, charge or fine or any installment thereof when due, the owner shall be in default and shall be subject to a late
payment charge in an amount to be set by the Administrator. The Administrator shall be entitled to collect from any defaulting owner, all attorneys’ fees and costs incurred by the Administrator in attempting to collect the delinquent balance due, whether or not suit or action is initiated. The amount of the delinquent assessments, charge or fine, together with interest, costs and attorneys’ fees (whether or not suit or action is initiated) shall become a lien upon the unit or units owned by the person from whom the assessment, charge or fine is due, upon the filing of a notice of lien by the Administrator of Sunriver or its designee in the deed records of Deschutes County, Oregon, which notice shall set forth the amount due, a description of the property against which the lien is imposed and the provisions under which the lien is claimed. Any such lien shall not take effect until notice thereof has been so filed. Accordingly, such lien shall be subordinate to the lien of any mortgage upon the property which is accepted in good faith and for value and which was recorded prior to the filing of the notice of lien. Any proceeding to foreclose any such lien shall be brought by the Administrator at any time within six years following the date of such filing and foreclosure shall occur in a manner provided for foreclosure of a mortgage under the laws of the State of Oregon. Once a notice of lien is filed, it shall secure all future unpaid assessments and other charges by the Association against such property or its owner until all amounts secured by the lien have been fully paid.

An action to recover a money judgment for unpaid maintenance assessments, fines, charges, late fees, interest or attorneys’ fees may be maintained without foreclosing or waiving the lien securing the claim therefor. A money judgment once obtained shall not merge into the lien, however, recovery on the action operates to satisfy the lien, or portion thereof, for which recovery is made. In the event that the Administrator shall bring any suit or action to foreclose the lien as provided herein, or to collect any money due it without waiving or foreclosing the lien, the Administrator shall be entitled to its attorneys’ fees and costs as provided in Section 11.03.

7.06 Annual Accounting. The Administrator of Sunriver shall be responsible for the annual accounting of the books and records of the Sunriver Owners Association in the following manner:

a. Within ninety days following the closing of each calendar year, the administrator of Sunriver shall render to each unit owner an accounting which shall set forth the amount and source of all income and disbursements during the previous calendar year, together with a statement of assets and liabilities, which records shall be open to inspection by any unit owner or by the officer of any village association or of the Sunriver Owners Association at any reasonable time during the normal business hours. The accounting to be provided pursuant to the provisions hereof shall be internally prepared and approved by the Board.

b. Within 180 days following the closing of each calendar year, the Administrator of Sunriver shall render to each unit owner an accounting as described in Section 7.06(a); however this accounting shall be prepared by a certified public accountant of good reputation on the basis of an audit of the records of Sunriver Owners Association, in accordance with accepted auditing standards and generally accepted accounting principles (GAAP) in a manner sufficient to permit the auditing accountant to provide certified statements of account. The Administrator of Sunriver shall maintain books and records to a standard sufficient to permit such an audit.

7.07 Indemnity. No member of the Board of Directors or any other officer of the Sunriver Owners Association or of any committee of the Association appointed by the Board, shall be personally liable to any member, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith. In the event any action is brought against any such person or entity, the Association shall indemnify such person or entity for all reasonable costs, including attorney’s fees, incurred in the defense of such action, including any settlement thereof. In the event the Association is required to pay any such costs, the Association shall be entitled to reimbursement from the Maintenance Fund established pursuant to Section 7 herein.
7.08 Establishment of Reserve Fund. As of the effective date of this plan, the Administrator of Sunriver shall establish a separate interest bearing reserve account by transfer of funds from the Maintenance Fund pursuant to a resolution by the Board of Directors of the Sunriver Owners Association.

a. The reserve account shall be a separate account in the Maintenance Fund.

b. The purpose of the reserve account shall be to provide funds for new items as well as for replacement or major repair of all items of association assets which will normally require replacement in whole or in part in more than three (3) and less than thirty (30) years.

c. The reserve account may also be used to acquire or construct new facilities that have a useful life in excess of 30 years if such expenditures are approved by a 60% majority of votes cast by written ballot directed to all owners.

d. The Board of Directors shall have the authority to make a one-time transfer of $200,000 from the replacement reserve account currently allocated for use by the Sunriver Owners Association’s fire and police departments to the Sunriver Service District formed pursuant to ORS 198.705 et seq. to provide fire, emergency medical, security and police services to the community of Sunriver.

7.09 Procedure for Reserve Fund. The Administrator shall be responsible for administering the account and for making periodic payments into it.

a. The reserve account established under this section shall, in the discretion of the Board of Directors, thereafter be funded by assessments against the individual units in an amount sufficient to build and maintain adequate reserves and such adequacy shall be reviewed annually.

b. Annual amounts to be assessed shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of these items and shall be determined by the Administrator and submitted to the owners as specified in Section 7.01.

c. The account may be used only for purchase of new or replacement or major repair of association assets and is to be kept separate from assessments for maintenance. However, after the Sunriver Owners Association has assumed responsibility for administration, the Board of Directors may authorize the borrowing of funds from the reserve account to meet high seasonal demands upon the Maintenance Fund. Funds borrowed to meet temporary expenses under this subsection must be repaid with interest before the end of the current fiscal year.

d. Assessments paid into the reserve account are the property of the Maintenance Fund and are not refundable to sellers or owners of lots.

e. As described in Section 7.08, Sunriver Owners Association is responsible for establishing a Reserve Fund to provide funds for new items as well as for replacement or major repair of all items of association assets which will normally require replacement in whole or in part in more than three (3) and less than thirty (30) years. The Board of Directors shall follow the multi-year funding plan for the Reserve Fund as recommended by a Certified Reserve Specialist designed to gradually bring Sunriver Association’s reserve threshold funding level to 70-100% funded by the year 2042. Upon achieving the threshold funding level of 70-100%, the Board of Directors shall budget and fund contributions to the reserve fund annually in an amount sufficient to maintain the reserve threshold amount at the 70-100% funded level.
Section 8  DESIGN COMMITTEE

8.01 Functions of Design Committee The Design Committee shall exercise the functions for which it is given responsibility in any Sunriver Declaration and in the Consolidated Plan of Sunriver. Generally, the Design Committee will be responsible for the approval of plans and specifications for the development of all areas subject to the Consolidated Plan and for the promulgation and enforcement of rules and regulations governing the use and maintenance of such areas and the improvements thereon.

8.02 Members: Term and Removal. The Design Committee shall consist of as many persons, not less than three, as the Board of Directors of the Sunriver Owners Association may from time to time appoint subject to the provisions of the Sunriver Owners Association Articles of Incorporation and Bylaws. The Board of Directors may remove any member of the Design Committee appointment by the Board of Directors from office at any time and may appoint new or additional members at any time. The Sunriver Owners Association shall keep on file at its principal office a list of the names and address of the members of the Design Committee.

8.03 Violation of Sunriver Declaration or Design Committee Rules by Non-Qualifying Improvements. In the event that any owner constructs or permits to be constructed on his property an improvement contrary to the provisions of a Sunriver Declaration or the Design Committee Rules or in the event that an owner maintains or permits any improvement, condition or other thing on his property contrary to the provisions of a Sunriver Declaration or the Design Committee Rules, the Administrator may, no sooner than sixty (60) days after delivery to such unit owner of written notice of the violations, enter upon the offending unit and remove the cause of the violation, or alter, repair or make change the item which is in violation of such Sunriver Declaration or Design Committee Rules as to make it conform thereto; provided, however, that if the owner objects to such entry, no such entry shall occur without prior resort to appropriate judicial process. The Administrator shall charge the owner and the owner shall pay the entire cost involved in such restoration by it in order to enforce the provisions hereof. Such costs shall become payable upon delivery by the Administrator to the owner of notice of the amount due and shall be paid into the Maintenance Fund provided that such costs were paid by the Maintenance Fund. Any such charges so levied shall become a special assessment against the unit of the owner.

8.04 Violation of a Sunriver Declaration or the Design Committee Rules Relative to Landscaping. In the event that any owner fails to comply with the provisions of a Sunriver Declaration or with the Design Committee Rules limiting removal of trees or shrubs, the Administrator may, no sooner than sixty (60) days after delivery to such owner of written notice of the violation, enter upon the offending property and replace appropriate trees and shrubs in a manner deemed sufficient in the Administrators sole discretion to remedy the effects of the violation; provided, however, that if the owner objects to such entry, no such entry shall occur without prior resort to appropriate judicial process. The Administrator shall charge the owner and the owner shall pay the entire cost involved in such restoration by it in order to enforce the provisions hereof. Such costs shall become payable upon delivery by the Administrator to the owner of notice of the amount due and shall be paid into the Maintenance Fund provided that such costs were paid by the Maintenance Fund. Any such charges so levied shall become a special assessment against the unit of the owner.

8.05 Review and Appeal.

a. Review and Appeal by Applicant. In the event that a decision rendered by the Design Committee is unacceptable to the applicant or his representative, such person or persons may:
   (1) Request a review of such decision by the Design Committee by directing a written request of such review to the Sunriver Owners Association by certified mail postmarked no later than ten (10) working days after the decision is rendered by the committee. Such review shall be held by the committee at its next regularly scheduled meeting.
(2) In the event that the decision rendered by the Design Committee upon review is
unacceptable to the applicant or his representative, such person(s) may request hearing
before an Appeals Board whose membership shall consist of the President of the Sunriver
Owners Association, the chairman of the Covenants and Enforcement Committee of the
Sunriver Owners Association, or any successor to such committee, and a third member to
be selected by the aforementioned two (2) members. Such third member shall, if feasible,
have special knowledge pertinent to the application under consideration. Request for such
appeal shall be directed in writing and by certified mail to the Sunriver Owners
Association and postmarked no later than ten (10) working days after the decision was
rendered by the Design Committee upon review. The decision by the Appeals Board shall
be final.

b. Appeal by Owner other than Original Applicant. In the event that a decision rendered by
the Design Committee is unacceptable to any owner other than the applicant, such owner or
his representative may request review by an Appeals Board, the membership of which shall
be described in Section 8.05.a. above. Request for such appeal shall be directed in writing
and by certified mail to the Sunriver Owners Association and postmarked no later than five
(5) working days after the final decision is rendered by the Design Committee. The decision
rendered by the Appeals Board shall be final. Written request for appeal shall be
accompanied by a payment of an appeal fee in an amount as set forth in the Design
Committee Rules.


(1) Members of the Appeals Board shall not discuss any case referred to the Design
Committee for review to the Appeals Board itself until such time as the case is scheduled
at the formal hearing conducted by the Appeals Board.

(2) The Appeals Board shall hear any case submitted to it within fourteen (14) days of
receipt of request for appeal.

(3) No building permit shall be issued by the Design Committee less than ten (10) days
after the Design Committee renders its decision. In the event that a request for either
review or appeal is received within the time limits as specified, issuance of a building
permit will be deferred until a final decision is rendered in accordance with the provisions
of Section 8.05.

(4) In the event that a request for review or appeal is received in accordance with the
provision in Section 8.05, notice of the request and its scheduled hearing date and time
will be sent to the person or persons initiating the request and property owners entitled to
notice under the Design Committee rules and regulations. This notice will be mailed
within three working days of receipt of the request.

8.06 Failure to Act. If at any time the Design Committee shall fail to function for any reason,
the Board of Directors of the Sunriver Owners Association shall have the right to serve and act in
place and instead of the Design Committee.

8.07 Duties and Rules. The Design Committee shall consider and act upon all matters properly
submitted to it pursuant to the Consolidated Plan of Sunriver or in any Sunriver Declaration. The
Design Committee may by majority vote from time to time and in its discretion, adopt, amend and
repeal rules and regulations to be known as the "Design Committee Rules" establishing its operating
procedures and interpreting, detailing and implementing the provisions of the instrument pursuant to
which it is charged with responsibility provided, however, that any adoption, amendment or repeal of
the rules and regulations shall be subject to approval by the Board of Directors of the Association.
The Design Committee may establish a reasonable fee to be paid to it to cover its costs incurred in considering and acting upon matters submitted to it. Such fees shall be paid into the Maintenance Fund. A current copy of the Design Committee Rules shall be kept on file at the principal office of the Sunriver Owners Association at all times. Such rules shall have the same force and effect as if set forth herein as part of the Consolidated Plan of Sunriver. The quorum for conducting official business at any Design Committee meeting shall be equivalent to more than fifty percent (50%) of total committee membership including a developer representative, if any.

8.08 Non-Waiver. Consent by the Design Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent.

8.09 Estoppel Certificate. Within thirty (30) days after written demand therefore by an owner, the Design Committee shall execute and deliver to the owner requesting the same an estoppel certificate certifying with respect to the property of such owner that as of the date of the certificate either (a) all improvements and other work within or upon said property comply with the Consolidated Plan of Sunriver and with all restrictions and rules and regulations adopted in or pursuant to any Sunriver Declaration, or (b) that such improvements and work do not so comply for reasons specified in the certificate. Any purchaser or mortgagee the unit may rely on such certificate with respect to the matters set forth therein, such matters being conclusive against the Sunriver Owners Association and all unit owners in Sunriver.

8.10 Liabilities. Neither the Design Committee nor any member thereof shall be liable to any owner, the Sunriver Owners Association, or any party who has submitted an application to the Sunriver Design Committee, for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Design Committee or any member thereof provided only that the Design Committee, in accordance with actual knowledge possessed by it, has acted in good faith.

8.11 Owner Alteration of Common Areas. Notwithstanding any other provision of the Consolidated Plan, the Design Committee, acting in its sole discretion, shall have the authority to approve a unit owner’s plan to restore or alter common areas; provided, however, that the owner’s plan shall be limited to restoring or enhancing the native appearance using natural and indigenous plants and materials.

Section 9 ADMINISTRATOR

9.01 Powers and Responsibilities of the Administrator. In addition to such other powers and responsibilities as shall be granted to or imposed upon it by the Consolidated Plan of Sunriver and by any Sunriver Declaration, the Administrator shall have the following powers and responsibilities:

a. Maintenance of all private ways, common areas, semi-public recreational or service areas, leased scenic areas and the improvements thereon;

b. Construction of such improvements on the private ways, common areas, leased scenic areas and semi-public recreational or service areas as it deems to be of benefit to the residents of Sunriver and their guests in accordance with the Sunriver Rules and Regulations. provided, however, that nothing herein contained shall be deemed to confer upon the Administrator power to incur capital expenditures or levy special assessments except as expressly herein provided and subject to the limitations herein set forth;

c. Responsibility for the enforcement of all covenants and restrictions contained in the Consolidated Plan of Sunriver and any Sunriver Declaration;

d. Responsibility for the promulgation and enforcement of the Sunriver Rules and Regulations and the enforcement of the Design Committee rules and the decisions of the Design Committee;
e. Responsibility for payment of all ad valorem taxes and assessments imposed on any of the common areas, private ways, leased scenic areas or semi-public recreational or service areas within Sunriver.

f. Responsibility for the provision of such services to the owners of Sunriver as shall be deemed to be of benefit to the owners of Sunriver.

g. Responsibility for procurement and maintenance of insurance on all improvements constructed on the common areas, leased scenic areas or semi-public recreational or service areas;

h. Responsibility for collection of maintenance assessments, user fees and other charges as may be levied within any village in the manner provided in the Consolidated Plan of Sunriver and any previous declaration and responsibility for action on delinquencies;

i. Responsibility for fixing of fees for use of recreational and service facilities within the common areas and in the semi-public recreational or service areas and for the collection thereof for payment into the Maintenance Fund.

j. Responsibility to make certain that the annual operating budget and long term budgets for capital improvements and reserve for replacements are arranged;

k. Responsibility for maintenance of books and records to a standard sufficient to permit their audits as outlined in Section 7.06;

l. Responsibility for the organization of village associations, committees and advisory groups as may be required from time to time to assist the Administrator in the performance of its functions;

m. The right to contract with any owner, group of owners or association of owners of any property subject to the Master Plan of Sunriver as described in Section 4 hereof for the maintenance of roadways, bicycle paths, recreational facilities or service facilities and administrative services connected therewith provided such contract is deemed to be beneficial to the Association.

9.02 Delegation of Functions and required transfer. Appointment of Manager. The Administrator may, from time to time, delegate all or portions of its authority hereunder, to a manager pursuant to an appropriate management contract; provided, however, that in no event shall any such management contract, or contract for services equivalent to management services, have a term in excess of three (3) years. In connection with any contract exceeding one year, the Administrator must obtain approval of the Board of Directors of the Sunriver Owners Association. The Administrator may delegate to any village association responsibility for the performance of any duty or function of the Administrator with respect to the applicable village; provided, however, that the Administrator shall arrange to pay the particular village association expenses which it shall reasonably incur in the performance of such duties.

9.03 Limitation of Liability. The Administrator shall not be liable for failure to carry out or perform any duty or responsibility required by it to be performed pursuant to the Consolidated Plan of Sunriver where such performance is made impossible or unfeasible by lack of sufficient funds in the Maintenance Fund. Where such insufficiency exists, the Administrator shall have discretion to determine for which authorized purposes monies in the Maintenance Fund shall be spent, including the power to determine how much shall be held in reserve. Neither the Administrator nor any officer or director thereof shall be liable to any owner, to any resident of Sunriver or to any village
association on account of any action or failure to act of the Administrator, provided, however, that the action has been taken in good faith in accordance with the actual knowledge possessed by the Administrator.

9.04 Performance of Functions and Required Transfer. The functions to be performed by the Administrator or imposed upon it by the Consolidated Plan of Sunriver or by any Sunriver Declarations, will convey to the Sunriver Owners Association all of its right, title and interest in and to the private ways, common areas, limited common areas, private recreational areas, leased scenic areas and semi-public recreational or service areas and will transfer over to the Sunriver Owners Association all monies then in the Maintenance Fund with a complete accounting therefor and the Sunriver Owners Association shall accept the same. The Developer shall be relieved of any further obligations with respect to performance of the functions of the Administrator from and after the date of the transfer. The Developer is the Administrator as of the date hereof and commits for itself, its successors and assigns to turn over the administrative functions as herein contemplated in accordance with the provisions of this paragraph.

9.05 Board of Directors Act as Administrator. The Board of Directors of the Owners Association shall be the Administrator and shall perform all the duties, have the responsibilities and possess the authority to carry out the business affairs of the Owners Association and the provisions in the Consolidated Plan, not otherwise reserved in or assigned to the owners.

Section 10 THE SUNRIVER OWNERS ASSOCIATION

On the effective date of the Consolidated Plan of Sunriver, the existing Sunriver Owners Association and Sunriver Phase II Association shall be merged into one association. Such association shall have the following attributes:

10.01 Membership in Association.
   a. Every unit owner and each owner of any portion of any resort area or commercial area shall be a member of the association. Status as a unit owner or property owner in a resort area or commercial area is the sole qualification for membership.

   b. Rights to a membership and status as a member terminate upon termination of status as a unit owner or resort or commercial area owner. Upon conveyance, sale or assignment of the owner's interest, the selling owner or owners shall be relieved of liability for assessments levied from and after the date of such sale.

   c. No owner may avoid the obligations of membership during the period when he is an owner by non-use of private ways, common areas, limited common areas, private recreational areas or semi-public recreational or service areas, renunciation or abandonment of his property or any other act of abandonment or renunciation.

10.02 Voting Rights.
   a. All unit owners shall be entitled to one vote for each unit they own. When more than one person holds an interest in a unit, the vote for each unit shall be exercised as the unit owners thereof determine but the vote attributable to the unit shall be cast by only one person.

   b. Each owner of a resort area or a commercial area shall be entitled to the number of votes that are appurtenant to said area as set forth in Exhibit "B," attached hereto and by this reference incorporated herein. In the event of any subdivision, partition, or other division of any resort area or commercial area as described in Exhibit "B," the number of votes thereafter appurtenant to such division of the areas shall be as assigned by the owners of said property. It shall be the responsibility of the commercial and resort area owners to notify the Sunriver Owners Association of how the votes have been allocated in accordance with this section.
When more than one person holds an interest in a resort or commercial area, the vote or votes for such area shall be exercised as the property owners thereof determine, but the vote attributable to the property shall be cast by only one person.

10.03 Incorporation.
a. The Sunriver Owners Association shall be incorporated as a not-for-profit corporation under the general nonprofit corporation laws of the State of Oregon.

b. The Articles of Incorporation of the Sunriver Owners Association shall provide for its perpetual existence, but in the event the Sunriver Owners Association shall at any time be dissolved, whether inadvertently or deliberately, it shall immediately be succeeded by an unincorporated association of the same name. In that event, all of the powers and obligations of the incorporated association existing immediately prior to its dissolution shall thereupon automatically vest in the successor unincorporated association which vesting shall thereafter be confirmed and evidenced by appropriate conveyances and assignments by the incorporated association. To the greatest extent possible, any such successor unincorporated association shall be governed by the Articles of Incorporation and bylaws of the incorporated association as if they had been made to constitute the governing documents of the unincorporated association.

c. The Articles of Incorporation shall provide that the Sunriver Owners Association shall exercise and perform all of the powers, obligations and duties delegated to it pursuant to the Consolidated Plan of Sunriver and any additional or different powers and obligations necessary or desirable for the purpose of carrying out the functions of the Sunriver Owners Association pursuant to the Consolidated Plan of Sunriver or otherwise promoting the general benefit of owners within Sunriver.

d. Neither the Association nor any officer or director thereof shall be liable to any owner, the developer, or to any village association for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the association, provided only that the association, in accordance with actual knowledge possessed by it has acted in good faith.

Section 11 MISCELLANEOUS PROVISIONS

11.01 Amendment. Except as provided herein, the provisions hereof may be amended by an instrument in writing signed and acknowledged by a majority of the members of the Board of Directors of the Sunriver Owners Association, certifying under penalty of perjury that the amendment set forth therein was duly adopted with the written consent of not less than 60 percent of the votes cast by written ballot directed to all owners. Any amendment or revision of the Consolidated Plan of Sunriver or additional provision shall become effective only upon the filing in the records of deeds of Deschutes County, Oregon, of such certificate, setting forth in full the amendment, amendments, additional provision or repeal approved as provided in this section. There shall be no amendment of the Consolidated Plan which would change sections 1, 3, 6, 7 and 10 in any manner which would alter or change the status, rights and obligations specifically of the commercial property owners and or resort property owners unless such amendment or repeal is also approved in writing by a majority of the affected commercial or resort property owners based on the votes allocated to those land classifications.

11.02 Joint Owners. In any case in which two or more persons share the ownership of any unit, regardless of the form of ownership, the responsibility of those persons to comply with the provisions of the Consolidated Plan of Sunriver and any Sunriver Declaration shall be a joint and several responsibility. The act or consent of any one or more of such persons shall constitute the act or consent of the entire ownership; provided, however, that in the event that such persons disagree among themselves as to the manner in which any vote or right of consent held by them shall be
exercised with respect to a pending matter, any such person may deliver written notice of such disagreement to the Administrator and the vote or right of consent involved shall then be disregarded completely in determining the proportion of votes or consents given with respect to such matter.

11.03 Expenses and Attorney's Fees. In the event that the Administrator of Sunriver shall bring any suit or action to enforce any provision herein contained in the Consolidated Plan of Sunriver or in a Sunriver Declaration, to collect any money due to it thereunder or to foreclose a lien, the defendant in such suit or action shall pay to the Administrator of Sunriver all costs and expenses which the Administrator shall incur in connection with such suit or action, including a foreclosure title report, in such amount as the court may determine to be reasonable as attorney's fees therein, including attorney's fees incurred in connection with any appeal or decision of the trial court or an appellate court.

11.04 Nonexclusiveness and Cumulation of Remedies. Election by the Administrator of Sunriver to pursue any remedy provided for the violation of any provision of the Consolidated Plan of Sunriver or of a Sunriver Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted thereunder or permitted by law. The remedies provided in the Consolidated Plan of Sunriver and in any Sunriver Declaration are not intended to be exclusive but shall be in addition to all other remedies, including actions for damages or suits for injunctions or for specific performance available under applicable law.

11.05 Right of Entry. The Administrator of Sunriver or his duly designated agent may at any reasonable time, and from time to time at reasonable intervals, enter upon any property within Sunriver for the purpose of determining whether or not the use of such property or any improvement thereon is then in compliance with the Consolidated Plan of Sunriver or any Sunriver Declaration. No such entry shall be deemed to constitute a trespass or otherwise create any right of action in the unit owner or occupant of such parcel.

11.06 Interest. Any amount not paid to the Administrator of Sunriver when due in accordance with the Consolidated Plan of Sunriver or in any Sunriver Declaration shall bear interest at the rate of ten percent per annum or at such legal rate as may be established by the Administrator.

11.07 Construction, Severability; Numbers; Captions. The Consolidated Plan of Sunriver shall be construed as an entire document to accomplish the purpose stated in the introductory paragraphs. Nevertheless, each provision of the Consolidated Plan of Sunriver shall be deemed independent and severable, and the invalidity or partial invalidity of any provision shall not affect the validity or enforceability of the remaining part of that or any other provision. As used herein the singular shall include the plural, and the plural be singular. The masculine and neuter shall include the masculine, feminine and neuter as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions hereof.

11.08 Original Subdivision Development Work. Nothing herein shall be deemed to limit or restrict the right of the Developer and/or the Administrator or their designated successors, their contractors, employees, materialmen, or assigns from entering all or any portion of Sunriver for the purpose of conducting therein and thereon such work of subdivision, improvement, construction and development as the Developer and/or the Administrator may deem necessary or desirable. However, all such work shall be performed in accordance with the Consolidated Plan of Sunriver and without cost or expense to any owner other than the Developer and/or the Administrator or their designated successors, except in such instances where another unit owner or owners have expressly contracted for said work. The Developer and/or Administrator shall have a non-exclusive easement for use of the private ways for ingress and egress on those portions of the real property owned by the Developer and/or the Administrator to perform work of construction thereon and for other work or activity associated with the ownership of said property. Portions of the roads from time to time included within Sunriver we acknowledged to be roads which provide a principal means of ingress and egress.
from property in Sunriver and the roads and private ways may be utilized for that purpose by Developer and/or the Administrator, its agent, contractors and employees, lessees, invitees and licensees of commercial areas and for other uses permitted under the Consolidated Plan of Sunriver, all on a non-exclusive and reasonable basis.

11.09 Notices. Any notice permitted or required by the Consolidated Plan of Sunriver or any Sunriver Declaration may be delivered either personally or by mail. Delivery by mail shall be by certified or registered mail, postage prepaid and addressed as follows:

If to developer: 

c/o Sunriver Properties Oregon, Ltd.  
Sunriver, Oregon 97707

If to Administrator 

at the address established as the principal place for the conduct of its business

If to an owner: 

at the address given by him at the time of his purchase of a unit, commercial property, or resort property.

The address of any person may be changed at any time by notice in writing delivered as provided herein. IN WITNESS WHEREOF, Sunriver Properties Oregon, Ltd. has caused this declaration setting forth this Consolidated Plan of Sunriver to be executed this ____ day of ________, 199__.
AMENDMENT TO PLAN OF SUNRIVER AND CERTIFICATE OF ADMINISTRATOR

Pursuant to Section III of the Plan of Sunriver dated June 20, 1968, and recorded in Volume 159, Page 198, Deed Records of Deschutes County, Oregon, the Plan of Sunriver has been amended by the adoption of the Consolidated Plan of Sunriver, attached hereto and by this reference incorporated herein.

SUNRIVER PROPERTIES OREG., LTD
ADMINISTRATOR OF SUNRIVER

By /s/ SHERIDAN W. ATKINSON
President, Sunriver Properties Management, Inc.,
Attorney in Fact for Sunriver Properties Oreg., Ltd.

I, SHERIDAN W. ATKINSON, President of Sunriver Properties Management, Inc., the lawful attorney in fact for Sunriver Properties Oreg., Ltd., and the Administrator of Sunriver pursuant to the Plan of Sunriver hereby certify that the above amendment to the Plan of Sunriver was duly approved pursuant to Section 12.1 (d) of the Plan of Sunriver by the approval of two thirds of the members of the Association at a special meeting called for said purposes and held on November 23, 1985.

DATED this 24th day of December, 1985

/s/SHERIDAN W. ATKINSON

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this December 24, 1985, by SHERIDAN W. ATKINSON as President of Sunriver Properties Management, Inc., the lawful attorney in fact for Sunriver Properties Oreg., Ltd.

Notary Public for Oregon
My Commission Expires 4-18-87

/s/ ROBERT S. LOVLIEN
AMENDMENT TO PLAN OF SUNRIVER PHASE II
AND CERTIFICATE OF BOARD OF DIRECTORS

The Plan of Sunriver Phase II dated June 4, 1976, and recorded in Volume 233, Page 831, Deed Records of Deschutes County, Oregon, is hereby amended pursuant to Section 11.1 of the Plan of Sunriver Phase II by the adoption of the Consolidated Plan of Sunriver, attached hereto and by this reference incorporated herein, and said amendment is hereby acknowledged by a majority of the members of the Board of Directors of Sunriver Phase II Association.

SUNRIVER PHASE II BOARD OF DIRECTORS

By /s/ WILLIAM N. FUTRELL

/s/ EMILY LOU OWEN

/s/ BEN V. MARTIN

We, the undersigned, being a majority of the Board of Directors of the Sunriver Phase II Association hereby certify under penalty of perjury that the amendment set forth above was duly adopted by written consent of the unit owners entitled to cast 66-2/3 percent of each class of the total voting power of the Sunriver Phase II Association.

/s/ WILLIAM N. FUTRELL
/s/ EMMY LOU OWEN

/s/ BEN V. MARTIN

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 29th day of December, 1985.

/s/ ROBERT S. LOVLIEN
Notary Public or Oregon
EXHIBIT A THE BOUNDARY OF SUNRIVER

PROPERTY DESCRIPTION

Beginning at the southeast corner of Section 20 in Township 19 South and Range 11 East of the Willamette Meridian in Deschutes County, Oregon; and running thence North 00'31'51" West a distance of 2648.54 feet to the northeast corner of the southeast quarter of said Section 20; thence South 89'46'03" West 4268.88 feet along the centerline of said Section 20 to a Witness Point on the right bank of the Deschutes River; thence South 89'46'03" West along said centerline 135.77 feet to the centerline of the Deschutes River; thence South 13'03'00" East along said river centerline 135.73 feet; thence South 23'48'21" West 185.81 feet; thence South 36'33'59" West 226.60 feet; thence South 08'59'25" West 159.97 feet; thence South 50'06'59" West 467.85 feet; thence South 04'50'12" West 130.47 feet; thence South 25'11'20" West 1005.63 feet; thence South 196.00 feet; thence South 24'31'04" East 513.28 feet; thence South 31'08'40" West 380.90 feet; thence South 37'21'57" West 620.49 feet; thence South 59'03'02" West 326.88 feet to the East line of the northeast quarter of Section 30 in said Township and Range; thence leaving said river centerline, South 00'01'28" West along said East line 390.00 feet to the centerline of the Deschutes river; thence North 69'43'31" East along said river centerline 361.48 feet; thence East 370.00 feet; thence South 20'50'30" East 399.12 feet; thence South 21'52'07" West 158.40 feet; thence South 56'49'17" West 946.84 feet to the East line of the northeast quarter of said Section 30; thence leaving said river centerline, South 00'01'28" West along said East line 374.64 feet to the southeast corner of said northeast quarter of said Section 30; thence South 89'46'01" West 323.71 feet along the centerline of said Section 30 to the centerline of the Deschutes River; thence South 41'57'01" West along said river centerline 508.10 feet; thence South 29'03'17" West 267.69 feet; thence South 43'04'49" West 253.29 feet; thence North 72'00'25" West 246.03 feet; thence South 49'53'57" West 248.40 feet; thence West 150.00 feet; thence South 54'17'36" West 197.04 feet; thence South 23'11'55" West 114.24 feet; thence South 09'07'18" West 359.55 feet; thence South 39'05'02" West 843.83 feet; thence South 01'44'09" East 330.15 feet; thence South 16'41'57" West 313.21 feet; thence South 28'53'12" West 331.21 feet; thence South 01'57'09" West 440.26 feet; thence South 21'52'45" East 684.29 feet; thence South 02'51'45" West 600.75 feet; thence South 40'25'34" West 354.68 feet; thence South 85'00'09" West 251.45 feet; thence North 41'12'17" West 288.43 feet; thence North 12'56'23" West 468.91 feet; thence North 57'09'18" West 282.10 feet; thence North 82'20'00" West 262.35 feet; thence South 86'38'45" West 254.83 feet; thence South 50'22'28" West 1569.18 feet; thence South 37'31'09" West 353.02 feet; thence South 32'39'39" West 463.25 feet; thence South 22'53'26" West 488.47 feet; thence South 420.00 feet; thence South 35'20'24" East 240.00 feet; thence South 73'42'55" East 188.30 feet; thence North 78'01'26" East 210.00 feet; thence North 66'41'42" East 707.74 feet; thence South 76'13'06" East 272.86 feet; thence South 51'57'23" East 704.76 feet; thence South 19'44'49" East 207.18 feet; thence south 40'14'11" West 340.59 feet; thence South 66'54'54" West 331.55 feet; thence West 500.00 feet; thence South 64'17'24" West 300.00 feet; thence North 43'00'00" West 91.67 feet to the East line of Government Lot 4 in Section 31 in said Township and Range; thence leaving said river centerline South 00'06'05" West along said East line 633.92 feet to the centerline of the Deschutes River; thence South 77'43'00" East along said river centerline 85.91 feet; thence South 36'19'37" East 211.00 feet; thence South 150.00 feet; thence South 40'22'29" West 310.64 feet to the East line of Government Lot 4, Section 6 in Township 20 South and Range 11 East of the Willamette Meridian in Deschutes County, Oregon; and running thence leaving said river centerline, South 01'03'42" East 874.86 feet to the southeast corner of said Government Lot 4; thence South 88'07'39" West 625.32 feet along the South line of said Government Lot 4 to the centerline of the Deschutes River; thence along said river centerline, South 220.21 feet; thence South 36'38'03" East 729.01 feet; thence South 34'24'46" East 615.77 feet; thence South 15'12'29" East 320.21 feet; thence South 06'07'50" West 271.55 feet; thence South 33'33'14" West 466.78 feet; thence South 22'09'35" West 296.93 feet; thence South 04'37'22" West 272.89 feet; thence South 06'12'03" East 453.65 feet; thence South 25'10'40" East 258.57 feet; thence South 56'06'15" West 231.31 feet; thence South 82'49'15" East 264.07 feet; thence North 74'19'27" West 262.77 feet; thence North 70'26'39" West 567.71 feet; thence South 80'37'52" East 220.99 feet; thence South 82'57'15" East 896.77 feet; thence South 45'32'01" East 243.85 feet; thence South 200.00 feet to the South line of the southeast quarter of said Section 6, thence North 87'59'18" East along said south line 1597.40 feet to the southeast corner of said Section 6; thence North 89'53'50" East 2564.43 feet to the southwest corner of the southeast quarter of Section 5; thence North 89'53'40" East along the South line of said southeast quarter a distance of 1748.66 feet to the westerly right-of-way of the Burlington Northern Railroad; thence along said westerly right-of-way as follows; thence North 04'55'15" West 1321.10 feet to the North line of the southeast quarter of said southeast quarter of Section 5; thence South 89'42'01" West along said North line 25.08 feet; thence North 04'55'15" West 413.27 feet; thence North 85'04'44" East 25.00 feet; thence North 04'55'15" West 1693.70 feet; thence along a spiral curve to the right, the chord of which bears North 04'00'52" West 182.34 feet; thence 905.39 feet along the arc of a 1960.00 foot radius curve right (the long chord of which bears. North 11'00'45" East 897.36 feet); thence along a spiral curve to the right, the chord of which bears North 26'02'21" East 182.34 feet; thence North 26'56'45" East 665.22 feet to the South line of the southeast quarter of Section 32 in Township 19 South and Range II East; thence South 89'10'08" West 28.26 feet along said South line. thence North 26'56'45" East 1375.53 feet to the East line of said southeast quarter; thence South 00'14'53" East 54.70 feet along said East line; thence North 26'56'45" East Revised October 2015 30 of 32
401.07 feet; thence along a spiral curve to the right of the chord of which bears North 27°20'54" East 121.05 feet; thence 654.54 feet along the arc of a 2914.67 foot radius curve right (The long chord of which bears North 34°34'45" East 653.16 feet); thence along a spiral curve right. the chord of which bears North 41°48'36" East 121.05 feet; thence North 42°12'45" East 1401.80 feet; thence along a spiral curve to the left; the chord of which bears North 41°48'48" East 118.95 feet; thence 1137.30 feet along the arc of a 2814.79 foot radius curve left (the long chord of which bears North 29°26'15" East 1129.58 feet): thence along a spiral curve to the left, the chord of which bears North 17°03'44" East 118.95 feet; thence North 16°39'45" East 4037.50 feet; thence leaving said westerly right-of-way North 06°58'29" East 116.67 feet; thence 531.86 feet along the arc of a 650.00 foot radius curve left (the long chord of which bears North 16°33'44" West 517.14 feet); thence North 40°00'11" West 216.67 feet; thence North 46°46'00" West 132.60 feet to the South line of the northwest quarter of the northeast quarter of Section 28 in last said Township and Range; thence South 89°30'48" West 450.68 feet to the southwest corner of said northwest quarter of the northeast quarter; thence South 89°30'48" West 2670.44 feet to the southwest corner of the northwest quarter of the northwest quarter of said Section 28; thence North 00°52'26" East 1324.16 feet to the place of beginning.

Excepting therefrom that portion of the above described tract lying South and East of the northerly right-of-way of Spring River Road and South Century Drive.

March 25. 1985 / s / David K. Bateman LS 1068
EXHIBIT B - Non-Residential Votes

Pursuant to Section 10.02b. of The Consolidated Plan of Sunriver, each owner of a resort area or a commercial area shall be entitled to the number of votes that are appurtenant to the following described parcels of real property:

1. Sunriver Resort: 29 votes (Resort Property)
2. Sunriver Country Mall Developed: 3 votes (Commercial Property)
3. Sunriver Country Mall Undeveloped: 1 vote (Commercial Property)
4. 2 Country Mall: 1 vote (Commercial Property)
5. Sunriver Utility Co.: 1 vote (Commercial Property)
6. Trout House: 1 vote (Resort Property)
7. Chrome Pony: 1 vote (also referred to as "Mall Developed (Parmenter)" (Commercial Property)
8. Racquet Club: 1 vote (Resort Property)
9. C(2) Tract "A" Deer Park 1: 1 vote (also referred to as "Commercial (Audia)" (Commercial Property)

Recorded pages 0113-1215 to 0113-1257 not herein printed include legal descriptions of properties. Said legal descriptions, and pages are available for inspection at the Sunriver Owners Association office or at the office of the developer Sunriver Properties Oregon. Ltd.

RETYPING INCLUDES ALL AMENDMENTS SINCE 1985