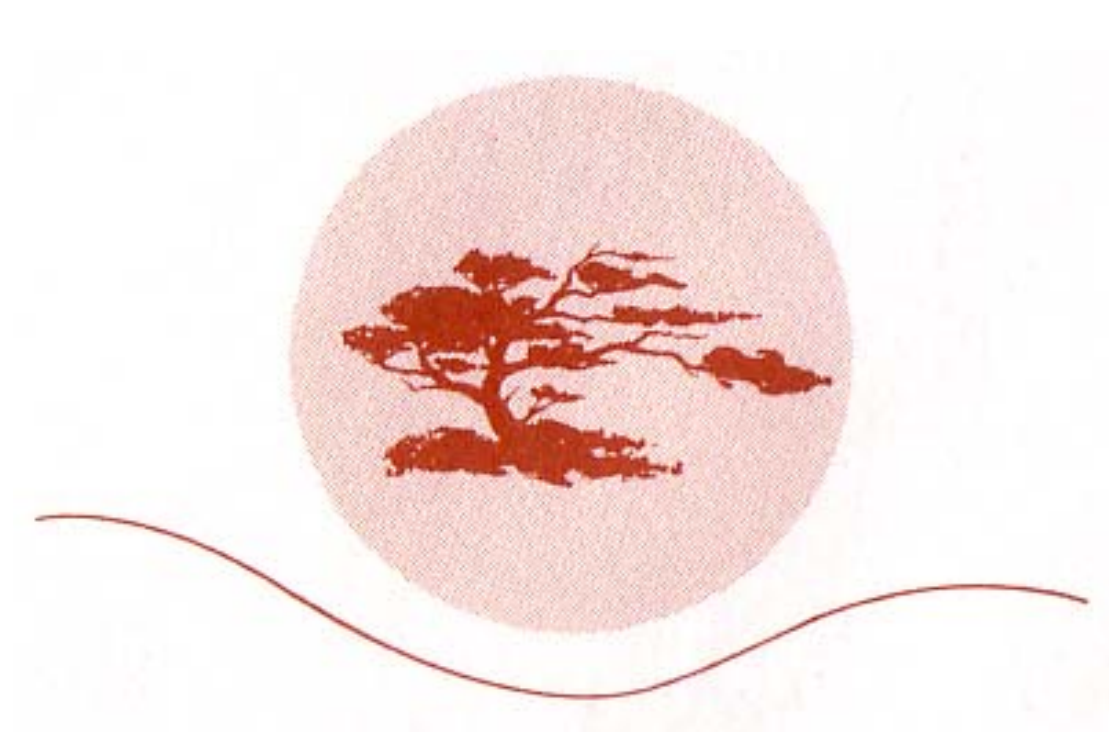


Salishan Hills Owners Association

CC&Rs



The management of Salishan Hills provides these documents as a service to unit owners. The Board has attempted to incorporate the latest revisions to all documents. However, if a person is reviewing these documents for other than general informational purposes, he/she is encouraged to consult an attorney and obtain the actual recorded Plan, Declaration, and Bylaws from the Lincoln County Recorder's office.

Salishan Hills Owners Association

CC&Rs

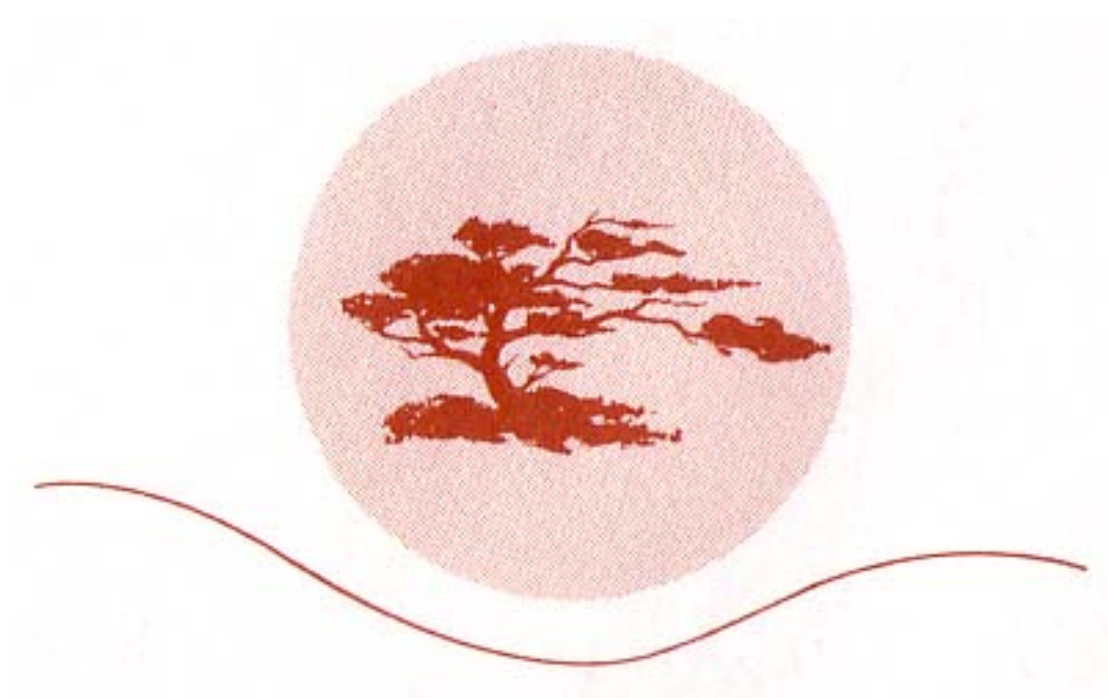
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Articles of Incorporation Of The Salishan Hills Owners Association



Filed in the Office of the Corporation Commissioner of the State of Oregon on October 17, 1978, Frank J. Healy, Corporation Commissioner

Articles Of Incorporation

Of

The Salishan Hills Owners Association

The undersigned natural person of more than 18 years of age, acting as incorporator under the Oregon Nonprofit Corporation Law, adopts the following Articles of Incorporation:

ARTICLE I – Name and Duration

The name of this corporation is THE SALISHAN HILLS OWNER ASSOCIATION (hereinafter called the “Association”) and its duration shall be perpetual.

ARTICLE II – Purposes

The purposes for which the Association is organized are to provide for the management, maintenance, protection, and preservation of Salishan Hills, a real estate development located in Lincoln County, Oregon, and to promote the health, safety, welfare and other general benefit of its members, not for profit, but for the mutual advantages to be derived therefrom, as contemplated in the Plan of Salishan Hills recorded on January 28, 1976, in Book 62, of the Film Records of Lincoln County, Oregon, at page 309, as the same may be subsequently amended and supplemented by instruments of record (hereinafter called the “Plan of Salishan Hills”). The definitions contained in the Plan of Salishan Hills are hereby adopted by reference

ARTICLE III – Powers and Duties

(a) The Association shall at any time and from time to time accept any responsibilities of Salishan Hills, Inc. (hereinafter called “Developer”) contained in the Plan of Salishan Hills which Developer may delegate to the Association, provided that Developer shall provide funds from the maintenance fund to the Association necessary to enable it to carry out the responsibilities which it assumes. The Association shall accept title to the private ways and common areas within Salishan Hills at such time as Developer conveys the same to the Association.

(b) The Association shall exercise and perform all of the following powers and obligations:

- (i) The powers and obligations delegated conveyed or otherwise assigned to the Association by Developer;
- (ii) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon; and
- (iii) Any additional or different powers and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Plan of Salishan Hills or otherwise promoting the general benefit of owners of property within Salishan Hills.

ARTICLE IV – Registered Office and Agent

The address of the initial registered office of the Association is Lot 472, Salishan Hills Drive, Gleneden Beach, Oregon 97388, and the name of its initial registered agent at such address is Willard Schwarz.

ARTICLE V – Directors

- (a) The powers of the association shall be exercised, its properties controlled and its affairs conducted by a board of directors. The initial board shall be composed of three directors.

Thereafter, until changed as provided below the board shall be composed of five directors, who shall be divided into two classes. At the first annual meeting of the Association, the members shall elect one class of three directors to serve for one year and a second class of two directors to serve for two years. Thereafter, the successors to each class of directors shall serve for terms of two years each. The total number of directors and the number of directors in any class may be changed by a bylaw duly adopted by the members.

(b) The names and addresses of the persons who are to serve as directors until the first annual meeting and until their successors are elected and shall qualify are:

1. Willard Schwarz
Lot 487
Lookout Drive
Gleneden Beach, Oregon 97388
2. Emma Schwarz
Lot 487
Lookout Drive
Gleneden Beach, Oregon 97388
3. Gary Hilbert
Lot 489
Fairway Drive
Gleneden Beach, Oregon 97388

ARTICLE VI – Incorporator

The name and address of the incorporator are:

Howard M. Feuerstein
Twenty-Third Floor
900 SW Fifth Avenue
Portland, Oregon 97204

ARTICLE VII – Dissolution

In the event the Association shall at any time be dissolved, whether inadvertently or deliberately, it shall automatically be succeeded by an unincorporated association of the same name. In that event all of the property, 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.

ARTICLE VIII – Membership and Voting Rights

(a) Every owner (as that term is defined in the Plan of Salishan Hills) within Salishan Hills shall, during the entire period of such ownership, be a member of the Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership.

(b) Each member in good standing shall have one vote on all matters submitted to the membership of the Association for each unit owned by him within Salishan Hills; provided, however, that any unit owned by the Association shall not be voted or counted in determining the total number of units in Salishan Hills for voting or quorum purposes.

(c) In any case in which two or more persons share the ownership of any unit, the vote or consent of any one or more of such persons shall constitute the vote or consent of the entire ownership interest; provided, however, that in the event 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 persons may deliver written notice of such disagreement to the secretary of the Association, 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.

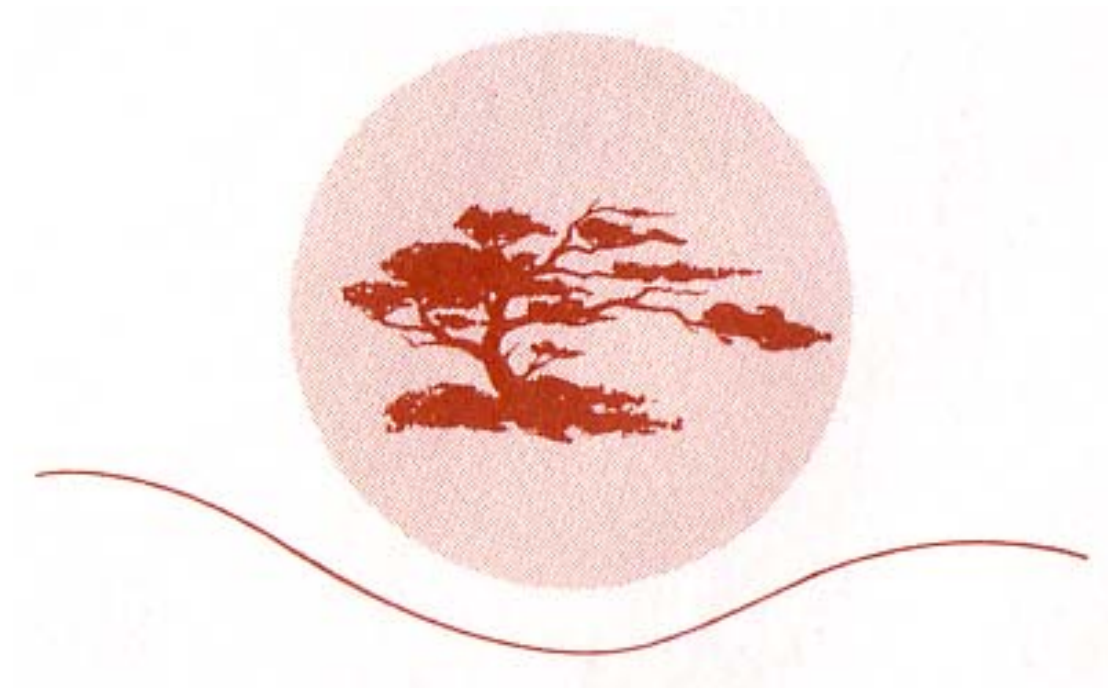
ARTICLE IX – Amendment

Amendments to these Articles shall be made in the following manner:

- (a) The majority of the Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at an annual or special meeting of the members. Written or printed notice setting forth the proposed amendment or a summary of the changes, to be effected thereby shall be given to each member entitled to vote at such meeting within the time and in the manner provided by the Bylaws for the giving of notice of meetings of members.
- (b) The proposed amendment shall be adopted upon receiving at least two-thirds of the votes which members present at such meeting or represented by proxy are entitled to cast.

The Plan

For Salishan Hills



The management of Salishan Hills provides these documents as a service to unit owners. The Board has attempted to incorporate the latest revisions to all documents. However, if a person is reviewing these documents for other than general informational purposes, he/she is encouraged to consult an attorney and obtain the actual recorded Plan, Declaration, and Bylaws from the Lincoln County Recorder's office.

This document incorporates the original Plan recorded 1976 - Book 62, Pages 309-327 and Amendments recorded 1993 Book 272, Pages 1610-1616.

The Plan

For Salishan Hills

PLAN OF SALISHAN HILLS

(A statement of the Plan of Salishan Hills containing among other things provisions which will subject portions thereof to certain easements, restrictions, assessments, fines, penalties and liens.)

Objectives

Salishan Hills is a development consisting of approximately 80 acres adjacent to Salishan Lodge and Salishan Golf Links located in Lincoln County, Oregon. Salishan Hills is owned by Salishan Hills, Inc., an Oregon corporation, the "Developer".

Developer hopes to create in Salishan Hills a carefully planned community which will provide an unusually attractive place to live, appealing especially to sport enthusiasts, outdoors men, retirees, naturalists, artists and others attracted to the Central Oregon Coast. Developer presently plans to organize within Salishan Hills a residential area embracing a mixture of several dwelling concepts. Other areas within Salishan Hills may be devoted to commercial facilities and to various recreational purposes.

Developer conceives that those living in Salishan Hills may enjoy many advantages on a relatively economical basis through provision for shared costs of common recreational facilities. Therefore, Developer expects to provide common areas, which will be available for use by all of the residents of Salishan Hills and their guests. Special recreational facilities suitable for common use, with or without charge, may be established on some of the common areas. Also, recreational areas for use by all of the residents of Salishan Hills and their guests may be established outside of Salishan Hills. Pursuant to an agreement dated January 17, 1976 between Salishan Properties, Inc., Salishan Lease holders, Inc. and John D. Gray (the "Salishan Leaseholders Agreement"), owners within Salishan Hills will have a right to beach access through the development known as "Salishan", subject to certain limitations contained in the agreement.

By providing standards for the improvement of private areas within Salishan Hills, Developer hopes to assure that property within Salishan Hills will have continuing value for those who acquire it. By requiring proper maintenance of improvements and grounds within private areas within Salishan Hills, Developer hopes to prevent deterioration in the value of property as the result of carelessness on the part of any property owner in Salishan Hills.

The Developer will provide leadership in organizing and administering Salishan Hills during the development period, but expects property owners in Salishan Hills to accept responsibility for community administration by the time the development is complete. By the time the development is complete, the Developer will have conveyed to Salishan Hills Owners' Association title to all common areas and private ways.

Funds for the maintenance and development of common areas, private ways and certain other areas generally will be provided through assessments against those who purchase property, although to assist with the development of Salishan Hills, Developer may from time to time itself provide some improvements. The developer, at his expense before the project is complete, will provide paved roads; some graveled walking trails and three paved and fenced outdoor tennis courts. Also to be provided is a sewer system, a water system and underground telephone, electricity and television cable to a point accessible to each lot; owners will pay normal hook-up charges and connection assessments. For the protection of all owners of property there will be a system designed to assure that each person who purchases property will pay his share of the monies necessary for the maintenance and development of common areas and private ways.

By adoption of the Plan of Salishan Hills, Developer is not committing itself to take any action for which definite provision is not made below.

The following is the Plan of Salishan Hills:

SECTION 1 - Definitions

When used herein, the following terms shall have the following meanings:

1.1 "Administrator of Salishan Hills" and "Administrator" shall mean Developer until such time as Developer has delegated and assigned to Salishan Hills Owners' Association all of Developer's powers and responsibilities given to or imposed upon it hereunder, has conveyed to Salishan Hills Owners' Association all of its right, title and interest in common areas and private ways in Salishan Hills and has transferred to Salishan Hills Owners' Association all monies in the maintenance fund, after which the Administrator of Salishan Hills shall be Salishan Hills Owners' Association.

1.2 "Common area" shall mean any area, which is designated as such in a subdivision plat of any portion of Salishan Hills or in any declaration subjecting property to this plan

1.3 "Condominium" shall mean any property submitted to unit ownership in the manner provided by ORS 91.505 through 91.765 as such statutes maybe amended.

1.4 "Committee" shall mean the committee appointed pursuant to the provisions of Section 6 herein.

1.5 "Developer" shall mean Salishan Hills, Inc., its successors or assigns.

1.6 "Guest" shall mean any person who is in Salishan Hills at the invitation of a resident of Salishan Hills and who, to the extent required by the Salishan Hills Rules and Regulations, either is accompanied by a resident of Salishan Hills or has in his possession an unexpired card issued by the Administrator of Salishan Hills.

1.7 "Maintenance assessment" shall mean any assessment imposed in accordance with the provisions of Section 5 herein.

1.8 "Maintenance fund" shall mean the fund to be established pursuant to Section 5 herein.

1.9 "Plan of Salishan Hills" shall mean this instrument together with any amendments or supplements thereto.

1.10 "Private area" shall mean any area, which is designated as such in a subdivision plat of any portion of Salishan Hills or in any declaration subjecting property to this plan.

1.11 "Private way" shall mean any area, which is designated as such in a subdivision plat of any portion of Salishan Hills or in any declaration subjecting property to this plan.

1.12 "Resident of Salishan Hills" shall mean any person who is a unit owner or a lessee of a unit, together with members of his immediate family, provided that a person shall be a "resident of Salishan Hills" only during periods in which he is in possession of his unit.

1.13 "Salishan Hills" shall mean the real property described in Exhibit A attached hereto together with any additional area which hereafter may be owned by Developer, any portion of which shall lie within four miles of any portion of the property described on exhibit A and with respect to which Developer has filed a declaration in the records of deeds of Lincoln County, Oregon, providing that such property shall be part of Salishan Hills.

1.14 "Salishan Hills Owners' Association" shall mean the association to be organized by Developer pursuant to the provisions of Section 8 herein.

1.15 "Salishan Hills Rules and Regulations" shall mean the rules and regulations adopted as provided in Section 4 herein.

1.16 "Unit" shall mean each lot described in the subdivision plat, which is designated as a private area, any condominium unit and any single family dwelling unit within any multiple occupancy building. Developer may specify additional areas, which shall constitute "units" within Salishan Hills. If in any case a unit owner shall have consolidated a lot or portion thereof with another lot in the manner set forth in Section 3 herein, then the area

consolidated shall be considered one unit. Lots may be classified into two parts--the "buildable area" and the "open area". "Unit" means both the buildable area and open area of any lot which otherwise constitutes a unit.

1.17 "Unit Owner" shall mean the person or persons who hold legal title to any unit.

SECTION 2 - Land Classifications and Uses within Salishan Hills

2.1 Classifications presently contemplated. Land classifications presently contemplated within Salishan Hills are private areas, common areas, private ways and private recreational areas. Developer reserves the right to create and make provision for additional land classifications in Salishan Hills. The Administrator of Salishan Hills will hold and retain title to common areas, private ways and private recreational areas subject, however, to the right of residents of Salishan Hills and others to use such areas as herein provided.

2.2 Private areas. Restrictions on and rules and regulations governing the use of private areas shall be set forth in the Salishan Hills declaration used to create the private area. By accepting a deed to a private area, the grantee will be deemed to have covenanted 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 Plan of Salishan Hills, that he will pay to the Administrator of Salishan Hills all amounts provided for in the Plan of Salishan Hills and that his property will be subject to a lien or liens as provided in such instrument. For the protection of all residents of Salishan Hills, the Administrator of Salishan Hills will be generally responsible for the enforcement of such restrictions, covenants, conditions, rules and regulations.

2.3 Private ways. Each unit owner and each resident of Salishan Hills is hereby granted a nonexclusive easement to use private ways for the purpose of walking thereon or traveling thereon by appropriate means. Each resident of Salishan Hills may permit his guests and invitees to use the private ways for such purposes. The easement herein granted shall be appurtenant to and assignable with the unit with respect to which it is granted, but shall not otherwise be assignable. Use of private ways shall be subject to the Salishan Hills Rules and Regulations. The Administrator may grant right of access to Salishan Leaseholders pursuant to the terms of the Salishan Leaseholders Agreement. The Administrator also may grant free access on private ways to police, fire and other public officials, to employees of utility companies serving Salishan Hills and to such other persons to whom the Administrator believes access should be given for the benefit of the residents of Salishan Hills. Developer may use the private ways for its own purposes and for the purpose of location of utilities thereon. By granting the right to residents of Salishan Hills and others to use private ways, Developer does not intend to dedicate private ways to the public but rather intends to preserve the private character of such ways. The administrator shall be deemed to have dedicated such ways to the public only if it shall file in the records of Lincoln County an instrument clearly evidencing its intention to dedicate such ways to the public.

2.4 Common areas. Each resident of Salishan Hills is hereby granted a non-exclusive easement to use common areas for such recreational purposes as may be permitted by the Salishan Hills Rules and Regulations and in the manner permitted therein. Each resident of Salishan Hills may permit his guests to use common areas for such purposes and in such manner. Common areas shall not be platted or otherwise divided into parcels for residential use. The Administrator of Salishan Hills may develop special recreational or service facilities on portions of the common areas for the general use and benefit of all residents of Salishan Hills and their guests. The Administrator may from time to time permit residents of Salishan Hills to use designated portions of common areas for recreational or service uses of benefit to such residents only (as, for example, maintaining a volley ball or badminton court) provided that such permission shall be revocable at any time. The Administrator may use common areas for the purpose of location of utilities thereon. The Administrator may bar any unit owner, members of his family and his guests from using common areas during periods in which the owner's maintenance assessments are delinquent.

SECTION 3 - 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 (the "basic lot"), together with one or more contiguous lots or contiguous portions thereof also restricted to single family residential use (the "additional lot" or "additional portion") and shall wish to consolidate the basic lot and the additional lot or additional portion, he may do so. The consolidation shall be effected by the owner filing in the records of deeds of Lincoln County, Oregon, a declaration stating that the two areas are consolidated.

The consolidation for, in this section, shall have the following effects:

(a) The consolidated areas shall constitute one unit for all purposes under the Plan of Salishan Hills, including the payment of maintenance assessments.

(b) The entire consolidated area may be used for the construction of only one residence thereon.

(c) No residence or other structure may be placed upon the remainder of a 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 95 percent of the original area of the lot.

(d) "Areas which have once been consolidated may be partitioned to the original lot dimensions provided that all maintenance assessments reduced due to the consolidation be paid in full. Any structures that have been built on the consolidated area must conform to Design Committee rules on the partitioned lot or lots, if the partitioning is to be allowed. Any changes in lot dimensions due to consolidation or partitioning must be filed and recorded in the Office of the Clerk of Lincoln County."

SECTION 4 - Salishan Hills Rules and Regulations

In the exercise of its powers and in the performance of its obligations pursuant to the Plan of Salishan Hills, the Administrator of Salishan Hills may adopt, amend or repeal rules and regulations to be known as the Salishan Hills Rules and Regulations, to provide for the manner in which common areas (including special recreational facilities established thereon), private ways and any other areas which all residents of Salishan Hills are entitled to use shall be used. The Salishan Hills Rules and Regulations may provide for the manner in which private areas may be used.

The Salishan Hills Rules and Regulations may, among other things, provide for any of the following:

(a) For speed and other traffic controls, safety patrols, parking controls and restrictions upon the type of vehicles, which may use the private ways;

(b) As to the spaces within common areas which may be used for particular recreational or service purposes and as to the times and manner in which such spaces may be used;

(c) For charges for use of recreational facilities and for services to be supplied by the Administrator of Salishan Hills to be applied uniformly to all residents of Salishan Hills and their guests;

(d) For the control of noise, for litter control and trash disposal, for pet and animal control, for the fixing and collecting of building permit charges and for the personal conduct of residents of Salishan Hills and their guests while in the common areas and private ways;

(e) For the conditions upon which guests of residents of Salishan Hills will be entitled to use the common areas and private ways and for the terms and conditions upon which cards will be issued.

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

SECTION 5 - Maintenance and Reserve Funds

5.1 Imposition of regular assessments. The Administrator of Salishan Hills shall have the right to impose an assessment against each unit owner within Salishan Hills in an amount not in excess of \$15.00 per month for each unit owned by each unit owner, unless such amount shall be increased as provided in Sections 5.2 and 5.3 herein. Such assessments shall be applied uniformly to all unit owners except that Developer shall not be assessed with respect to a unit owned by it upon which no dwelling house has been erected and no assessment shall be imposed with respect to a condominium unit which has never been sold; On or before June 1 of each year the Administrator shall fix the amount of the assessment to be imposed during the ensuing fiscal year and shall notify each person who is then a unit owner of the amount of the assessment to be imposed for such year. Any unit owner who shall pay the assessment to be imposed for all 12 months of the ensuing fiscal year prior to July 1 of such year shall be entitled to a discount in the amount of three percent of the gross amount assessed for such 12-month period. At least three-month assessment must be paid on or before July 1 and the remaining nine months assessment must be paid on a quarterly basis on or before April 1 of the year due. In the event that a person shall acquire a unit or his unit shall first become subject to assessment during the course of a fiscal year his first assessment shall come due on the first

day of the month following the month during which title is recorded for his unit or during which the unit first became subject to assessment.

5.2 Cost of living adjustment in maximum amount of maintenance and reserve assessments. The maximum amount of the maintenance and reserve assessments provided in Section 5.1 shall be increased by five percent for each five percent increase occurring after January 1, 1976 over the level on January 1, 1967 of the United States Department of Labor, Bureau of Labor Statistics. Consumer Price Index, All items, United States City Average (1967 equals 100), or the successor of such index.

5.3 Increase in maximum amount of maintenance and reserve assessments with consent of unit owners. In the event that the Administrator shall deem the maintenance and reserve funds to be inadequate for the purposes for which they are to be maintained, taking into account the need for reasonable reserves for special purposes, the annual maintenance and reserve assessments may be increased above the amount provided for in Sections 5.1 and 5.2, provided that such increase shall have been approved in writing by unit owners owning at least 60 percent of the units within Salishan Hills which are subject to assessment. (Class 1)

5.4 Special purpose assessments. In the event the Administrator of Salishan Hills deems it to be to the advantage of the residents of Salishan Hills to impose a special purpose assessment to provide funds for the development of a particular recreational facility, it may impose such a special assessment provided that the amount of the assessment and the terms upon which it will be imposed have been approved in writing by the unit owners, other than Developer, owning at least 60 percent of the units which will be subject to the assessment. All special purpose assessments shall be applied uniformly to all unit owners, including Developer. 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 set forth in the instrument by which the unit owners consented to the special assessment.

5.5 Maintenance fund. The Administrator shall keep all monies which it may collect from maintenance assessments together with all other monies which it is required to add to the maintenance fund pursuant to the provisions hereof 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 gate and signs), common areas and facilities on common areas available for use by all of the residents of Salishan Hills.

(b) Payment of taxes and assessments levied against private ways, common areas and the improvements thereon.

(c) Payment of the cost of providing patrol and fire prevention and control service, garbage and trash disposal, if provided.

(d) Payment of the cost of insurance, including insurance protecting the Administrator of Salishan Hills, the Design Committee and Salishan Hills Owners' Association against liability arising out of their functions and activities in the administration of the Plan of Salishan Hills.

(e) Payment of the cost of enforcing the provisions contained in the Plan of Salishan Hills and the Salishan Hills Rules and Regulations.

(f) Payment to Salishan Hills Owners' Association of costs incurred in the performance of any obligation of the Administrator of Salishan Hills, which has been delegated, to Salishan Hills Owners' 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 residents of Salishan Hill, including Salishan Hills share of the maintenance costs as provided in the Salishan Leaseholders Agreement.

(i) Payment of costs incurred in collecting maintenance assessments.

(j) Payment of expenses incurred in organizing Salishan Hills Owners' Association and of maintaining same as a corporation.

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

(l) Payment to the Administrator of Salishan Hills of a portion of its overhead reasonably attributable to the performance of the functions set forth in (a) thru (k) above.

Included among the monies which are to be paid into the maintenance fund are all maintenance assessments, fine, penalties, fees for use of recreational facilities located on common areas, Design Committee fees; interest on amount payable into the maintenance fund and payments to reimburse the Administrator for monies expended from maintenance fund. Except as stated above no part of the maintenance fund will inure to the benefit of the Developer.

5.6 Reserve Fund. The Administrator shall keep all monies which it may collect from reserve assessments together with all other monies - which it is required to add to the Reserve fund pursuant to the provisions hereof - in a separate fund called the "Reserve fund," and shall use the monies in the Reserve fund only for the following purposes:

(a) Replacement of all items of common property which will normally require replacement, in whole or in part in more than three and less than 30 years. The items may be identified in the reserve account as those, which are insurable, by a common carrier of all-purpose risk insurance.

(b) Rebuilding and replacement of roads, roadbeds, adjacent areas affected by or affecting roads and road pavement located in any private way.

(c) This account may be used only for the replacement of common property and is to be kept separate from assessments for maintenance. However, the Board of Directors may borrow funds from this reserve account to meet high seasonal demands on the regular operating funds or to meet other temporary' expenses. Funds borrowed to meet these temporary expenses must be repaid later from special assessments or maintenance fees.

(d) The amounts assessed for the reserve fund shall take into account the estimated remaining life of the items for which the reserve is created and the current replacement cost of those items.

5.7 Annual accounting. Within 90 days following the close of each fiscal year the Administrator shall render to each unit owner an accounting which shall set forth the amount and source of all income received in the maintenance fund and all disbursements from the fund during the previous fiscal year together with a statement of the assets of and liabilities of the maintenance fund at the close of the last fiscal year. The Administration of Salishan Hills shall maintain records of all amounts received into the maintenance fund and of all disbursements therefrom, which records shall be open to inspection by any unit owner or by the officers of Salishan Hills Owners' Association at any reasonable time during normal business hours.

SECTION 6 - Design Committee

6.1 Function of the Design Committee. The Design Committee shall exercise the functions for which it is given responsibility in any Declaration subjecting property to this Plan. Generally, the Design Committee will be responsible for the approval of plans and specifications for the development of private areas.

6.2 Members: term and removal. The Design Committee shall consist of as many persons, not less than three, as the Administrator of Salishan Hills may from time to time appoint. The Administrator may remove any member of the Design Committee from office at any time and may appoint new or additional members at any time. The Administrator shall keep on file at its principal office a list of the names and addresses of the members of the Design Committee. Individual appointments shall be for a 2-year term.

6.3 Action. Except as otherwise provided herein, a majority of the members of the Design Committee shall constitute a quorum with power to act on behalf of the Committee. The act of a majority of the members at a meeting at which a quorum is present shall be the act of the Committee. The Committee may render its decisions only by written instrument, with signatures of those members present, setting forth the action of the members consenting thereto.

6.4 Failure to act. If at any time the Design Committee shall for any reason fail to function, the Board of Directors of the Administrator shall have complete authority to serve as pro tem Design Committee.

6.5 Duties and rules. The Design Committee shall consider and act upon all matters properly submitted to it pursuant to the Plan of Salishan Hills. In furtherance of this function, the Design Committee may, by a majority vote from time to time and with the approval of the Salishan Hills Board of Directors, 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 instruments pursuant to which it is charged with responsibility. In order to cover the costs that the Design Committee may incur in considering and acting upon matters submitted to it, the Salishan Hills Board may establish a reasonable fee to be paid by the requesting owners. 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 Administrator of Salishan Hills at all times. Such rules shall have the same force and effect as if set forth herein as part of the Plan of Salishan Hills.

6.6 Nonwaiver. 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.

6.7 Estoppel certificate. Within 30 days after written demand thereof by a unit owner, the Design Committee shall execute and deliver to the unit owner requesting the same an estoppel certificate certifying with respect to the unit of such unit owner that as of the date of the certificate either (a) all improvements and other work within said unit comply with the Plan of Salishan Hills, or (b) that such improvements and work do not so comply for reasons specified in the certificate. Any purchaser or mortgagee of a unit may rely on such certificate with respect to the matters set forth therein, such matters being conclusive against the Administrator of Salishan Hills and all unit owners in Salishan Hills.

6.5 Liabilities. Neither the Design Committee nor any member thereof shall be liable to any unit owner or the Administrator of Salishan Hills for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Committee or a member thereof, provided only that the member, in accordance with actual knowledge possessed by him, has acted in good faith.

SECTION 7 - Administrator of Salishan Hills

7.1 Powers and responsibilities of the Administrator. In addition to such other powers and responsibilities as shall be given to or imposed upon it by this Plan of Salishan Hills, the Administrator of Salishan Hills shall have the following powers and responsibilities:

(a) The Administrator shall be responsible for maintaining all private ways, common areas and the improvements thereon.

(b) The Administrator shall be responsible for the construction of such improvements on the private ways and common areas as it deems will be of benefit to the residents of Salishan Hills and their guests in accordance with the Salishan Hills Rules and Regulations.

(c) The Administrator shall be responsible for the enforcement of all covenants and restrictions contained in the Plan of Salishan Hills.

(d) The Administrator shall be responsible for the promulgation and enforcement of the Salishan Hills Rules and Regulations and the enforcement of the Design Committee Rules and the decisions of the Design Committee.

(e) The Administrator shall be responsible for the payment of all ad valorem taxes and assessments imposed on any of the common areas and private ways within Salishan Hills.

(f) The Administrator shall be responsible for the provision of such services to the residents of Salishan Hills as it shall deem to be of benefit to the residents of Salishan Hills.

(g) The Administrator shall be responsible for procuring and maintaining insurance on all improvements constructed on the common areas.

(h) The Administrator shall be responsible for the fixing of fees for use of recreational and service facilities within the common areas and for the collection thereof. All such fees shall be paid into the maintenance fund.

(i) The Administrator shall be responsible for administrating the Salishan Leaseholders Agreement as it applies to residents of Salishan Hills.

7.2 Delegation of function. The Administrator of Salishan Hills may at any time delegate to Salishan Hills Owners' Association responsibility for the performance of any duty or function of the Administrator of Salishan Hills and Salishan Hills Owners' Association shall accept such responsibility, provided that the Administrator shall arrange to pay to Salishan Hills Owners' Association the expenses which it shall reasonably incur in the performance of such duty or function.

7.3 Limitation of liability. The Administrator of Salishan Hills shall not be liable for failure to carry out any responsibility enumerated in Section 7.1 herein or elsewhere in the Plan of Salishan Hills in cases in which there are not sufficient monies in the maintenance fund to enable it to carry out its responsibility. The Administrator shall have sole power 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 or any officer or director thereof shall be liable to any unit owner, to any resident of Salishan Hills nor to Salishan Hills Owners' Association on account of any action or failure to act of the Administrator, provided only that in accordance with actual knowledge possessed by it, it has acted in good faith.

7.4 Required transfer of functions. At such time as the Developer deems it desirable or in any event when the development of Salishan Hills is substantially completed, Developer will delegate and assign to Salishan Hills Owners' Association all of its powers and responsibilities given to or imposed upon it by the Plan of Salishan Hills, will convey to Salishan Hills Owners' Association all of its right, title and interest in and to the private ways and common areas and will transfer over to Salishan Hills Owners' Association all monies then in the maintenance fund and Salishan Hills Owners' Association shall accept the same. The development of Salishan Hills shall be deemed to be substantially complete at the earlier of (a) the time when Developer shall declare it to be so; (b) the time when Developer shall have sold, leased or converted into common areas, private ways and private areas, 90 percent of the total land area within Salishan Hills; or (c) January 1, 1981.

SECTION 8 - Salishan Hills Owners' Association

Developer expects to delegate from time to time an association representing all unit owners within Salishan Hills responsibilities which Developer has assumed pursuant to this Plan of Salishan Hills and as provided in Section 7.4, eventually will delegate to such association all of its responsibilities to the end that the association shall become the Administrator of Salishan Hills. In order to facilitate the accomplishment of such purposes the Developer shall organize an association to represent all unit owners within Salishan Hills not later than January 1, 1979. Developer shall have the right to organize the association on such basis as shall appear to Developer to be most advantageous to the unit owners of Salishan Hills at the time of organization subject to, however, to the following conditions:

(a) The association shall be incorporated as a nonprofit corporation under the general nonprofit corporation laws of the State of Oregon

(b) The articles of incorporation of the association shall provide for its perpetual existence, but in the event the 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 governing documents of the unincorporated association.

(c) The articles of incorporation of the association shall provide that each unit owner shall be a member of the association with one vote for each unit owned by him. The articles shall all provide that representation of each unit owner through membership in the association shall commence, exist and continue simply by virtue of ownership of a unit, shall expire automatically upon termination of such ownership and need not be confirmed or evidenced by any certificate or acceptance of membership.

(d) The articles of incorporation shall provide that the association will at any time, and from time to time accept any responsibilities of Developer contained in the Plan of Salishan Hills which Developer may delegate to the association, provided that Developer shall provide funds from the maintenance fund to the association necessary to enable it to carry out the responsibilities which it assumes. Also, the articles of incorporation shall provide that the

Association will accept title to the private ways and common areas within Salishan Hills at such time as Developer may elect to convey the same to the association.

(e) The articles of incorporation of the association shall provide that the association shall exercise and perform all of the following powers and obligations:

(i) The powers and obligation delegated, conveyed or otherwise assigned to the Association by Developer,

(ii) The powers and obligations of a nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Oregon; and

(iii) Any additional or different powers and obligations necessary or desirable for the purpose of carrying out the functions of the association pursuant to the Plan of Salishan Hills or otherwise promoting the general benefit of unit owners within Salishan Hills.

(f) The articles of incorporation of the association shall be subject to amendment as provided in the Oregon nonprofit corporation law and the bylaws of the association shall be subject to amendment by the board of directors of the association.

Neither the association nor an officer or director thereof shall be liable to any unit owner or to Developer 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 9 - Enforcement

9.1 Enforcement of Salishan Hills Rules and Regulations. It will be important to the residents of Salishan Hill that Salishan Hills Rules and Regulations be enforced in as impartial and uniform manner as practicable. In most cases it will not be desirable to resort to the public authorities for the enforcement of these rules and regulations. Therefore, the Administrator of Salishan Hills may impose penalties for the violation of the Salishan Hills Rules and Regulations within the following limits.

(a) The Administrator may impose a fine upon the resident of Salishan Hills who has violated or whose guest has violated a rule or regulation in an amount not to exceed:

(i) For violations of rules and regulations governing motor vehicles and traffic, the maximum amount that can be imposed under any Oregon statute in force at the time of the violation which prescribes a penalty for the same offense had it occurred upon a state highway;

(ii) For all other violations including motor vehicle and traffic rules and regulations that have no counterpart in state law, the maximum sum of \$100 for any one violation.

If such fine is not paid by the person upon whom it is imposed, it shall be paid by the unit owner who by virtue of his ownership of a unit caused the person upon whom the fine was imposed to be a guest or resident of Salishan Hills.

(b) The Administrator may provide that a person who has violated a rule or regulation shall be deprived of his right to use the common areas for a period of not to exceed one year on account of any one violation. Such penalty shall become effective ten days after delivery by the Administrator of notice thereof to the person upon whom it is imposed.

9.2 Violation of Salishan Hills Declaration by nonqualifying improvement or condition. In the event any unit owner constructs or permits to be constructed on his unit an improvement contrary to the provisions of the Salishan Hills Design Committee Rules or any Salishan Hills Declaration or in the event that a unit owner maintains or permits any improvement, condition or other thing on his unit contrary to the provisions of the Salishan Hills Design Committee Rules or any Salishan Hills Declaration, the Administrator of Salishan Hills may no sooner than 60 days after delivery to such unit owner of written notice of the violation, obtain an appropriate court order and enter upon the offending unit and remove the cause of such violation or alter, repair or change the item which is in violation of such Rule in such manner as to make it conform thereto. The Administrator may charge such unit owner for the entire cost of the work done by it pursuant to this section. Such amount shall become payable upon delivery by the

Administrator to the unit owner of notice of the amount due, and shall be paid into the maintenance fund to the extent that the costs being reimbursed were paid out of the maintenance fund.

9.3 Violation of Salishan Hills Declaration relating to landscaping. In the event that any unit owner fails to comply with the provisions of the Salishan Hills Design Committee Rules limiting the removal of trees and shrubs, the Administrator of Salishan Hills may impose on such unit owner a fine in an amount not to exceed \$25 for each shrub removed in violation of such rule and not to exceed \$25 per inch of the diameter of the stump of each tree removed in violation of such Rule. The Administrator may also restore the original landscaping insofar as is reasonably possible and charge the unit owner for the entire cost involved in such restoration. Such costs shall become payable upon delivery by the Administrator to the unit owner of notice of the amount thereof and shall be paid into the maintenance fund to the extent that amounts being reimbursed were paid out of the maintenance fund.

9.4 Violation of Salishan Hills Rules or Declaration by prohibited activity. In the event that any unit owner shall violate a provision of the Salishan Hills Rules and Regulations or any Salishan Hills Declaration relating to the activities which may be conducted on his unit or if any person on the unit with the permission of the unit owner shall violate such a provision the Administrator of Salishan Hills may impose a fine upon such unit owner in an amount not to exceed \$100 for any one violation.

9.5 Payment of fines. Each fine imposed pursuant to Sections 9.1, 9.3 or 9.4 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. Each notice of fine shall refer to the rule, regulation or provision which has been violated and set forth a succinct statement of the conduct which the Administrator claims has violated such rule, regulation or restriction. All fines shall be paid into the maintenance fund.

9.6 Appeal. Any person upon whom a fine or penalty has been imposed pursuant to Sections 9.1, 9.3 or 9.4 who deems that such 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 is unduly severe, may appeal from the imposition of the fine or penalty by filing a statement to that effect with the Administrator at any time before the fine becomes payable or the penalty effective. All appeals shall be determined by the Board of Directors in accordance with such rules of procedure as such Board may adopt from time to time. The Board shall render its decisions on appeals determined by it in writing and notice thereof shall be given to the person 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 Board shall be binding.

9.7 Interest. Any amount not paid to the Administrator of Salishan Hills when due in accordance with the Plan of Salishan Hills shall bear interest from the date due until paid at the rate of 10 percent per annum to be billed on a monthly basis. Amounts due to the Administrator considered paid as of the date of the postmark on the envelope containing the payment, or the date of receipt when received by other means of delivery.

9.8 Default in payment of maintenance assessments, fines and charges. Each maintenance assessment, fine or charge levied or imposed pursuant to the Plan of Salishan Hills, together with interest thereon, shall be a separate, distinct and personal debt and obligation of the unit owner or resident of Salishan Hills against whom the maintenance assessment, fine or charge is levied or imposed or from whom the amount is due. If a unit owner fails to pay any such fine, assessment or charge or any installment thereof when due, the owner shall be in default and the amount of the fine, assessment or charge not paid, together with interest, costs and attorneys' fees as elsewhere provided for herein shall become a lien upon the unit or units owned by the person from whom the fine, assessment or charge is due upon the filing by the Administrator of Salishan Hill in the records of mortgages of Lincoln County, Oregon, of a notice of lien setting forth the amount due and a description of the units against which the lien is imposed. Such lien shall not take effect until notice thereof has been so filed. Thus, such lien shall be subordinate to the lien of any mortgage upon any unit, which is accepted in good faith, and for value and which was recorded prior to the filing of the notice of lien. The Administrator of Salishan Hills may commence proceedings to foreclose any such lien at any time within three years following the date of such filing.

9.9 Expenses and attorney's fees. In the event that the Administrator of Salishan Hills shall bring any suit or action to enforce any provision contained in the Plan of Salishan Hills 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 all costs and expenses which the Administrator shall incur in connection with such suit or action, including a foreclosure title report, and 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 from a decision of the trial court or an intermediate appellate court.

9.10 Nonexclusiveness and accumulation of remedies. Election by the Administrator of Salishan Hills to pursue any remedy provided for the violation of any provision of the Plan of Salishan Hills shall not prevent concurrent or subsequent exercise of another remedy permitted thereunder or which is permitted by law. The remedies provided in the Plan of Salishan Hills are not intended to be exclusive, but shall be in addition to all other remedies, including actions for damage or suits for injunctions or for specific performance available under applicable law.

9.11 Right of entry. The Administrator of Salishan Hills or any member of the Design Committee authorized by the Administrator may at any reasonable time, and from time to time at reasonable intervals, enter upon any unit within Salishan Hills for the purpose of determining whether or not the use of such unit or improvement thereon is then in compliance with the Plan of Salishan Hills. No such entry shall be deemed to constitute a trespass or otherwise to create any right of action by the unit owner or occupant of such parcel. The Administrator may at its discretion obtain a court order to enforce this right of entry.

SECTION 10 - Miscellaneous Provisions

10.1 Amendment and repeal. With the consent of the Administrator of Salishan Hills any provision of this Plan of Salishan Hills may at any time be amended or repealed or provisions may be added by either of the following methods:

(a) Unit owners owning 75 percent of the units may consent in writing to the amendment or repeal of a provision or to the addition of a new provision; or

(b) Salishan Hills Owners' Association may consent to such amendment, repeal or addition.

Salishan Hills Owners' Association shall be deemed to have consented to the amendment or repeal of a provision contained in the Plan of Salishan Hills or to the addition of a new provision if the following procedure shall have been followed:

(a) The Board of Directors of Salishan Hills Owners' Association shall have adopted a resolution setting forth the proposed amendment, provision for repeal or proposed additional provision and directing that it be submitted to a vote at a meeting of the members, which may be either an annual or a special meeting.

(b) Written notice setting forth the proposed amendment, provision for repeal or proposed additional provision, or a summary of the changes to be effected thereby, shall be given to each unit owner at least 60 days prior to the time of the meeting at which the proposed amendment, provision for repeal or proposed additional provision is to be considered.

(c) Written notice setting forth the proposed amendment, provision for repeal or proposed additional provision, or a summary of the changes to be effected thereby, shall also be given to each member of the Salishan Hills Owners' Association with his notice of the meeting of the members at which the proposed additional provision is to be considered.

(d) At the meeting of the members at which the proposed amendment, provision for repeal or proposed additional provision is to be considered, the proposed amendment, provision for repeal or proposed additional provision shall be submitted to a vote of the members. The proposed amendment, provision for repeal or proposed additional provision shall be adopted upon receiving two thirds of the votes entitled to be cast by all of the members of the Association.

Notwithstanding any other provision in this section; any amendment of this Plan, which changes the ratio of assessments against unit owners, shall require the written approval of all holders of mortgages or trust deeds on units within Salishan Hills.

Any amendment or repeal of a provision of the Plan of Salishan Hills or additional provision shall become effective only upon the filing in the records of deeds of Lincoln County, Oregon, of a certificate of the president, secretary or assistant secretary of the Administrator of Salishan Hills setting forth in full amendment, amendments, additional provision or repeal approved as provided in this section and certifying that said amendment, amendments, additional provision or repeal have been approved in the manner required therefore herein.

10.2 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 such persons to comply with the provisions of the Plan of Salishan Hills

shall be a joint and several responsibility. The act on consent of any one or more of such persons shall constitute the act or consent of the entire ownership interest 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 of Salishan Hills or Salishan Hills Owners' Association, as the case may be, 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.

10.3 Construction; severability; number; captions. The Plan of Salishan Hills shall be construed as an entire document to accomplish the purposes stated in the introductory paragraphs of the Plan. Nevertheless, each provision of the Plan of Salishan Hills 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 the singular. The masculine and neuter shall each include the masculine, feminine and neuter, as the context requires. All captions used herein are intended solely for convenience or reference and shall in no way limit any of the provisions of the Plan of Salishan Hills.

10.4 Notices. Any notice permitted or required by the Plan of Salishan Hills may be delivered either personally or by mail. Delivery by mail shall be deemed to have been accomplished 24 hours after the notice has been deposited as certified or registered mail in the United States mail, with postage prepaid, addressed as follows:

To the Secretary, the Design Committee or to the Administrator (which is the Board of Directors) of Salishan Hills:

Salishan Hills Owners Association
P.O. Box 177
Glenden Beach, OR 97388

If to a unit owner, at the address given by him at the time of his purchase of a unit or at the address of his unit within Salishan Hills. The address of any person maybe changed by him at any time by notice in writing delivered as provided herein.

* * * * *

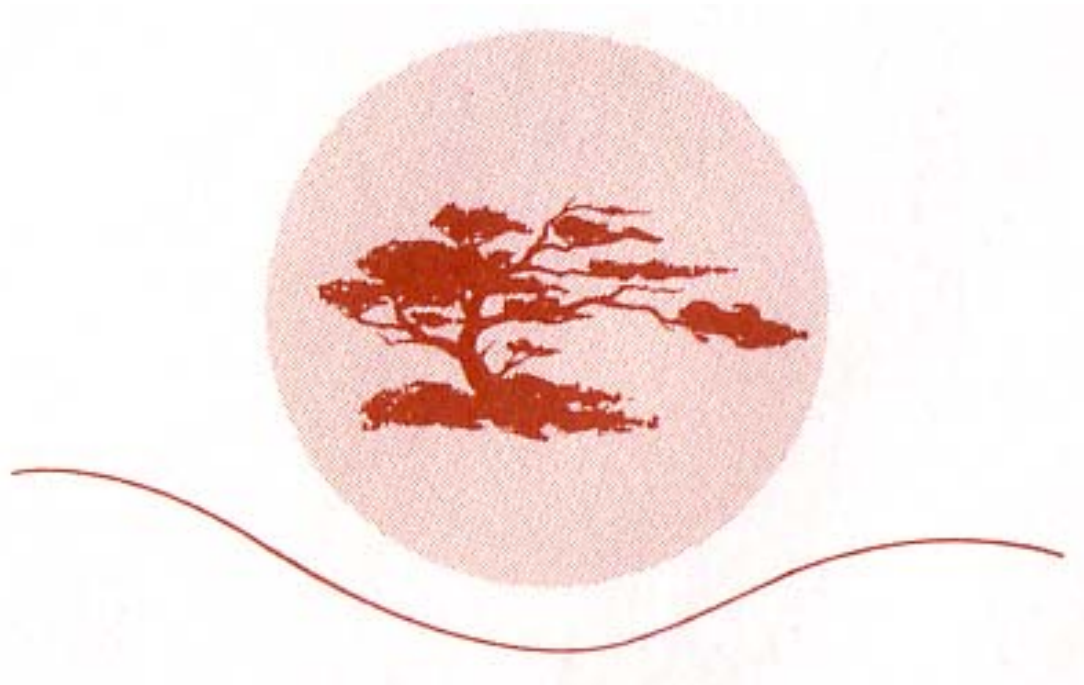
Date of last revision to The Plan: Annual Meeting of Salishan Hills Owners Association, 1993. Original Document recorded 1976 - Book 62, Pages 309-327 Amendments recorded 1993 -Book 272, Pages 1610-1616

THE PLAN OF SALISHAN HILLS

Amended December 4, 1993

- 1.11 Deleted and each paragraph in Section 1 has been thereafter renumbered. 124-1993
- 2.4 Amended 12-4-1993
- 2.5 Deleted 12-4-1993
- 3(d) Replaced 12-4-1993
- 5 Replaced in entirety 12-4-1993 - amended 5/16/94, corrected 12/94
- 6.1 Amended 12-4-1993
- 6.2 Amended 12-4-1993
- 6.3 Amended 12-4-1993
- 6.5 Amended 12-4-1993
- 9.1 (a)(ii)Amended 12-4-1993
- 9.2 Amended 12-4-1993
- 9.4 Amended 12-4-1993
- 9.6 Amended 12-4-1993
- 9.7 Amended 12-4-1993
- 9.11 Amended 12-4-1993
- 10.4 Amended 12-4-1993 corrected 12/94

The Bylaws of the Salishan Hills Owners Association



The management of Salishan Hills provides these documents as a service to unit owners. The Board has attempted to incorporate the latest revisions to all documents. However, if a person is reviewing these documents for other than general informational purposes, he/she is encouraged to consult an attorney and obtain the actual recorded Plan, Declaration, and Bylaws from the Lincoln County Recorder's office.

This document incorporates the Original Bylaws (not recorded) and the latest amendments to the Bylaws recorded December 4, 1993, Book 272 Page 1617-1621; also 1-26-1995 amendments.

This document also incorporates 11-8-94 corrections recorded in Books 291, pages 332-334; 1-26-95 amendments and 9-23-96 amendments recorded 12-30-96 in Books 330, pages 7372 and 1373.

BYLAWS OF THE SALISHAN HILLS OWNERS ASSOCIATION

ARTICLE I - DEFINITIONS

Section 1 - Association

"Association" shall mean the Salishan Hills Owners Association, a nonprofit corporation organized and existing under the laws of the State of Oregon.

Section 2 - Articles of Incorporation

"Articles of Incorporation" shall mean the Articles of Incorporation of the Association.

Section 3 - Plan of Salishan Hills

The "Plan of Salishan Hills" shall mean the Plan of Salishan Hills recorded on January 28, 1976, in Book 62 of the Film Records of Lincoln County, Oregon, at Page 309, as the same may be subsequently amended and supplemented pursuant to the terms thereof.

Section 4 - Administrator

The administrator shall mean the Board of Directors of the Salishan Hills Owners Association.

Section 5 - Incorporation by Reference

Except as otherwise provided herein, the terms, which are defined in the Plan of Salishan Hills, are used in these Bylaws as therein defined.

ARTICLE II - MEMBERSHIP

Section 1 - Membership

Every person or entity who is a record owner of a fee interest or undivided fee interest in one or more units within Salishan Hills or a purchaser in possession under a land sales contract shall, during the entire period of such ownership, be a member of the Association. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of any unit within Salishan Hills. Transfer of ownership of any unit automatically transfers membership in the Association, and membership need not be confirmed or evidenced by any certificate or acceptance of membership.

Section 2 Membership List

The Secretary shall maintain at the principal office of the Association a membership list showing the name and address of the owner of each unit. The Secretary may accept as satisfactory proof of such ownership a duly executed and acknowledged conveyance, a title insurance policy, or other evidence reasonably acceptable to the Board of Directors.

ARTICLE III - MEETINGS AND VOTING

Section 1 - Place of Meetings

Meetings of the members of the Association shall be held at such reasonable place convenient to the members as may be designated in the notice of the meeting.

Section 2 Annual Meeting

The annual meeting of the members for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such reasonable hour and on such reasonable day during the month of June or July of each year as the President may designate, or if the President should fail to designate a date by the first day of July, then on the last Tuesday in July. The first annual meeting, however, shall be held within 60 days after the filing of the Articles of Incorporation.

Section 3 - Special Meetings

A special meeting of the Association may be called at any time by the President or by any two members of the Board of Directors. A special meeting shall be called by the Board of Directors upon receipt of a written request stating the purpose of the meeting from members having 25 percent of the votes entitled to be cast at such meeting.

Section 4 - Notice of Meetings of the Association

(a) Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than seven nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage fully prepaid thereon, addressed to the member at his most recent address as it appears on the records of the Association.

(b) When a meeting is adjourned for 30 days or more, or when a redetermination of the persons entitled to receive notice of the adjourned meeting is required by law, notice of the adjourned meeting shall be given as for an original meeting. In all other cases no notice of the adjournment or of the business to be transacted at the adjourned meeting need be given other than by announcement at the meeting at which such adjournment is taken.

Section 5 - Quorum

At any meeting of the Association, members having 30 percent of the votes entitled to be cast at such meeting, present in person or by proxy, shall constitute a quorum. When a quorum is once present to organize a meeting, it cannot be broken by the subsequent withdrawal of a member or members. If any meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting from time to time not less than 48 hours nor more than 30 days from the time the original meeting was called until a quorum is present.

Section 6 - Voting rights

Each member in good standing shall have one vote on all matters submitted to the membership for each unit to which he holds the beneficial ownership; provided, however, that any unit owned by the Association shall not be voted or counted in determining the total number of units for voting purposes.

Section 7 - Joint Ownership

In any case in which two or more persons share the ownership of any unit, the vote or consent of any one or more of such persons shall constitute the vote or consent of the entire ownership interest. In the event 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 Secretary of the Association 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.

Section 8 - Proxies

Every member entitled to vote or to execute any waiver or consent may do so either in person or by written proxy except for election of directors which vote will be done by secret mail ballot. All proxies shall be in writing and filed with the Secretary of the Association. No proxy shall be valid after the meeting for which it was solicited and any adjourned meeting thereof, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon sale by the member of the parcel or parcels upon which the proxy is based.

Section 9 - Majority Vote

The vote of a majority of the votes entitled to be cast by the members present or represented by proxy, at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law, by the Plan of Salishan Hills, by the Articles of Incorporation, or by these Bylaws.

Section 10 - Order of Business

The order of business at meetings of the members of the association shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of Minutes of preceding meeting
- (d) Reports of officers and/or committees, if any
- (e) Election of Directors
- (f) Unfinished business
- (g) New business; and
- (h) Adjournment

ARTICLE IV - DIRECTORS: MANAGEMENT

Section 1 - Numbers and Qualification

The affairs of the Association shall be governed by a Board of Directors composed of persons who are members of the Association. The Board shall be composed of five persons. The number of directors, however, may be changed by a Bylaw adopted by the method stated in these Bylaws; provided, however, that no reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office. The duly elected Presidents of the Bluffs Condominium Association and the Island Condominium Association will be ex-officio members of the Board of Directors, but shall have no vote.

Section 2 - Nominating Committee

(a) There shall be a Nominating Committee appointed by the Board of Directors by February 15 or approximately four and one-half months prior to the annual meeting. The committee shall consist of one (1) board member and two (2) or more members of the Association.

(b) Association members will be notified that the nominating committee will accept applications for a position on the Board. Owners may apply by submitting a short paragraph (not exceeding 50 words) including the candidate's background and experience by March 15th or three and one-half months prior to the annual meeting.

(c) The nominating committee shall consider but need not limit its nomination to these candidates. The committee shall select at least one person for each expiring term and at least one person for any unexpired term. The nominating committee shall prepare a slate of nominees to be presented for approval to the Board of Directors no later than April 15th or seventy-five (75) days prior to the annual meeting. Applicants who were not chosen will be notified and advised that they may petition to be included on the ballot.

(d) By May 1st or at least sixty (60) days prior to the date of the annual meeting, the Board shall mail to all unit owners the slate of candidates including a short biographical sketch of each candidate. In this communication, the Board shall also announce that if a unit owner wishes to petition to run for election he/she may do so by submitting to the nominating committee a petition signed by 15 supporters, each being a unit owner. Petitioner must be a Salishan Hills unit owner, must sign an agreement to run for directorship, and must submit a short biographical sketch stating his background and experience. He/she must also specify if running for an

unexpired term. Petitions should be received by the nominating committee no later than May 15th or forty-five (45) days prior to the annual meeting. The secretary will verify signatures.

(e) The secretary shall prepare a ballot of all candidates including petition candidates. Owners must receive the ballot and list of biographies by June 1st or thirty (30) days before the annual meeting.

Section 3 - Election and Tenure of Office

The directors named in the Articles of Incorporation shall serve until the first annual meeting and until their successors are elected. At the first annual meeting of the Association the members shall elect one class of three directors to serve for one year and a second class of two directors to serve for two years. Thereafter the successors to each class of directors shall serve for terms of two years each. All directors shall hold office until their respective successors shall have been elected by the members. Election shall be by secret ballot.

Section 4 - Voting Procedure

(a) Voting for members of the board of directors shall be by secret ballot by mail. Unit owners shall mail in their secret ballot in the envelope provided by the Association in the June 1 mailing. Included with the secret ballot (which should have full instructions for marking and returning by the required date) shall be a special envelope with space on its face for owner's signature and lot number(s). Marked ballots shall be placed in the envelope, sealed and returned to the board secretary no later than 5 days prior to the annual meeting.

(b) The secretary shall record names of owners of mail-in ballots received prior to placing signed and sealed envelopes in a special receptacle. The secretary shall give the receptacle to a monitor or monitors at the annual meeting. Monitors shall check signatures on envelopes against a list of qualified voters and record that these owners have voted.

(c) Monitors shall open envelopes and count ballots. Impartial observers may act as witnesses. Ballots are tabulated by monitors and the report is given to the association president who will announce results of the election.

Section 5 Vacancies

(a) A vacancy in the Board of Directors shall exist upon the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the members fail, at any annual or special meeting of members at which any director or directors are to be elected to elect the full authorized number of directors to be voted for at that meeting, or if a director shall cease to own properly in Salishan Hills, disqualifying that person as a member of the Association.

(b) Vacancies in the Board of Directors may be filled by a majority of the remaining directors even though less than a quorum, or by a sole remaining director. Each director so elected shall hold office for the balance of the unexpired term and until a successor is elected.

Section 6 Removal of Directors

All or any number of the directors may be removed with or without cause, at a meeting of members called expressly for that purpose, by a vote of majority of the number of votes entitled to be cast at an election of directors.

Section 7 - Powers

The Board of Directors shall exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those reserved to the members in the Plan of Salishan Hills, Articles of Incorporation or these Bylaws.

Section 8 - Managing Agent or Manager

On behalf of the Association, the Board of Directors may employ or contract for a managing agent or a manager at a compensation to be established by the Board of Directors. The Board of Directors may delegate to the managing agent or manager such duties and powers as are appropriate to the office. The managing agent or manager of the Association shall have a formal employment contract with the Association. This contract shall specify the duties and responsibilities that are expected of the managing agent or manager. The managing agent or

manager shall conduct all association business under his responsibility according to accepted business and accounting practices and in keeping with all regulations of applicable government bodies.

Section 9 - Meetings

(a) All meetings of the Board shall be open to members of the Association. However, members may not participate in the Board meeting without permission of the Board.

(b) Meetings of the Board of Directors shall be held at such time and place as may be designated from time to time by the Board of Directors.

(c) Meetings of the Board of Directors shall be conducted by Robert's Rules of Order, newly revised.

(d) Annual meetings of the Board of Directors shall be held without notice immediately following the adjournment of the annual meetings of the members. The Board of Directors shall meet to set a date, time and place for their next meeting to elect new officers, and conduct other necessary business.

(e) Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or by any two directors.

Section 10 - Notice of Meetings of Board of Directors

(a) Notice of the time and place of meetings shall be given to the directors orally or delivered in writing personally or by mail or telegram at least 24 hours before the meeting. Notice shall be sufficient if actually received at the required time or if mailed or telegraphed not less than 72 hours before the meeting. Notice mailed or telegraphed shall be directed to the address shown on the records of the Association or to the director's actual address ascertained by the person giving the notice.

(b) Notice of the time and place of holding an adjourned meeting need not be given if such time and place be fixed at the meeting adjourned.

(c) Attendance of a director at a meeting shall constitute a waiver of notice for that director of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(d) For other than emergency meetings, notice of Board of Directors meetings shall be posted at a place or places on the property at least three days prior to the meeting, or notice shall be provided by a method otherwise reasonably calculated to inform unit owners of such meetings.

(e) Emergency meetings may be held without notice, if the reason for the emergency is stated in the minutes of the meeting; and only emergency meetings of the Board of Directors may be conducted by telephonic communications.

Section 11 - Quorum and Vote

(a) A majority of the directors shall constitute a quorum for the transaction of business. A minority of the directors, in the absence of a quorum, may adjourn from time to time but may not transact any business.

(b) The action of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors unless a greater number is required by law, the Plan of Salishan Hills, the Articles of Incorporation or these Bylaws.

Section 12 - Liability

Neither the Board of Directors nor any member or officer thereof shall be liable to the Association or to any member for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Association, its Board of Directors or any member or officer of its Board of Directors, provided only that the board member or officer has, in accordance with the actual knowledge possessed by him, acted in good faith.

Section 13 - Compensation

No director shall receive any compensation from the Association for acting as such.

ARTICLE V - OFFICERS

Section 1 - Designation and Qualification

The officers of the Association shall be the President, the Secretary and the Treasurer and such Vice Presidents and subordinate officers as the Board of Directors shall from time to time appoint. The President shall be a member of the Board of Directors, but the other officers need not be directors. Any two offices may be held by the same person except the office of President.

Section 2 - Election and Vacancies

The officers of the Association shall be elected annually by the Board of Directors at the first scheduled meeting of the Board following the Annual Meeting, but in no case more than 21 days after the Annual Meeting. The election of officers shall be the first order of business at this meeting. The outgoing President (whether remaining on the Board or not) shall continue to perform the duties of the President until a new President is elected. If any office shall become vacant by reason of death, resignation, removal, disqualification or any other cause, the Board of Directors shall elect a successor to fill the unexpired term at any meeting of the Board of Directors.

Section 3 - Removal and Resignation

(a) Any officer may be removed upon the affirmative vote of a majority of the directors whenever in their judgment the best interests of the Association will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

(b) Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Association. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective, provided that the Board of Directors may reject any post-dated resignation by notice in writing to the resigning officer. The effectiveness of such resignation shall not prejudice the contract rights, if any, of the Association against the officer so resigning.

Section 4 - President

The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the Association. He shall preside at all meetings of the members and of the Board of Directors. He shall be ex officio a member of all the standing committees, including the executive committee, if any, shall have the general powers and duties of management usually vested in the office of president of a nonprofit corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 5 - Vice Presidents

The Vice Presidents, if any, shall perform such duties as the Board of Directors shall prescribe. In the absence or disability of the President, his duties and powers shall be performed and exercised by the Senior Vice President as designated by the Board of Directors.

Section 6 - Secretary

(a) The Secretary shall keep or cause to be kept a Book of Minutes of all meetings of directors and members showing the time and place of the meeting, whether it was regular or special, and if special, how authorized, the notice given, the names of those present at directors' meetings, the number of memberships present or represented at members' meetings and the proceedings thereof.

(b) The Secretary shall give or cause to be given such notice of the meetings of the members and of the Board of Directors as is required by these Bylaws or by law. He shall keep the seal of the Association, if any, and affix it to all documents requiring a seal, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

(c) If there are no Vice Presidents, then in the absence or disability of the President, his duties and powers shall be performed and exercised by the Secretary.

Section 7 - Treasurer

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements. The books of accounts shall at all reasonable times be open to inspection by any director. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 8 - Compensation of Officers

No officer who is a member of the Board of Directors shall receive any compensation from the Association for acting as an officer, unless such compensation is authorized by a resolution duly adopted by the members. The Board of Directors may fix any compensation to be paid to other officers.

ARTICLE VI - EXECUTIVE AND OTHER COMMITTEES

Subject to law, the provisions of the Articles of Incorporation and these Bylaws, the Board of Directors, by a vote of a majority of the directors in office, may appoint an executive and such other standing or temporary committees as may be necessary from time to time, consisting of not less than one of the directors in office and having such powers as the Board of Directors may designate. Such committees shall hold office at the pleasure of the Board. All committee members shall be members of the Salishan Hills Owners Association.

ARTICLE VII - ASSESSMENTS, RECORDS AND REPORTS

Section 1 - Maintenance Assessments

After Developer has assigned to the Association or the Association has otherwise acquired all of Developer's powers and obligations under the Plan of Salishan Hills as provided in the Plan of Salishan Hills, the Association shall do the following:

(a) Maintain, or provide for the maintenance of the private ways and common areas and all improvements thereon as provided in the Plan of Salishan Hills.

(b) Assess and collect from every owner the maintenance assessment in the manner described in the Plan of Salishan Hills.

(c) Keep all funds received by the Association as maintenance and reserve assessments, together with any other funds received by the Association pursuant to the Plan of Salishan Hills which are by the terms thereof to be deposited in the appropriate "Maintenance Fund," and "Reserve Fund" and use such funds only for the purposes described in the Plan of Salishan Hills.

(d) From time to time, and at least annually prior to July 1 of each year, prepare a budget for the Association, estimating the common expenses expected to be incurred with adequate allowance for reserves, determine whether the annual maintenance assessment should be increased or decreased and report the same to the membership and, where appropriate, seek adjustments in the maintenance assessment as provided in the Plan of Salishan Hills.

(e) Enforce the maintenance assessments in the manner provided in the Plan of Salishan Hills.

(f) Keep records of the receipts and expenditures affecting the maintenance fund and make the same available for examination by members at convenient hours, maintain an assessment roll showing the amount of each assessment against each owner, the amounts paid upon the account and the balance due on the assessments, give each member written notice of each assessment at least two weeks prior to the time when such assessment shall

become due and payable, and promptly provide any owner who makes a request in writing with a written statement of his unpaid assessments.

Prior to such complete acquisition of responsibility and authority with respect to maintenance, the Association shall accept and perform such limited responsibilities respecting maintenance as it receives pursuant to the Plan of Salishan Hills.

Section 2 - Records

The Association shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors.

Section 3 - Inspection of Books and Records

All books and records of the Association may be inspected by any owner or officer of the Association or any condominium association, or his agent, attorney or lender, for any proper purpose at any reasonable time during normal business hours.

Section 4 - Certification and Inspection of Bylaws

The original or a copy of the Bylaws and any amendments thereto, certified by the Secretary, shall be open to inspection by the owners, officers and directors in the manner and to the extent required by law.

Section 5 – Checks, Drafts, etc.

All checks, drafts and other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

Section 6 - Execution of Documents

The Board of Directors may, except as otherwise provided in the Plan of Salishan Hills, Articles of Incorporation or these Bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

Section 7 - Reports and Audits

An annual report of the receipts and expenditures of the Association, if any, together with a statement of assets and liabilities of the maintenance and reserve funds, if any, shall be rendered by the Board of Directors to all owners and to all mortgagees of units who have requested the same within 90 days after the end of the fiscal year. From time to time and at least annually the Board of Directors, at the expense of the Association, shall obtain a compilation, review or audit, whichever the Board of Directors deems appropriate, of the books and records pertaining to the Association and furnish copies of the pertinent data to the members. During any regular business hours, any member or holder of a mortgage or trust deed may, at his own expense, cause a compilation, review, audit or inspection to be made of the books and records of the Association.

Section 8 - Procedures

(a) Competitive bids shall be obtained on all items over \$500 and shall be presented to the Board of Directors for approval in advance of expenditure. Single sourcing may be used only if necessary.

(b) Expenditures exceeding the designated approved budgeted amount by 10% or \$500 must be submitted for Board approval, prior to expenditures.

Section 9 - Dates

All documents must be dated as per date of origin or date of latest revision.

ARTICLE VIII - GENERAL PROVISIONS

Section 1 - Seal

The Board of Directors may, by resolution, adopt a corporate seal.

Section 2 - Notice

All notices to the Association or to the Board of Directors shall be sent care of the managing agent, or if there is no managing agent, to the principal office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. All notices to members shall be sent to the member's unit or to such other address as may have been designated by the member from time to time in writing to the Board of Directors.

Section 3 - Waiver of Notice

Whenever any notice to any member or director is required by law, the Plan of Salishan Hills, the Articles of Incorporation, or these Bylaws, a waiver of notice in writing signed at any time by the person entitled to notice shall be equivalent to the giving of the notice.

Section 4 - Action without Meeting

Any action which the law, the Plan of Salishan Hills, the Articles of Incorporation or the Bylaws require or permit the members or directors to take at any meeting may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the members or directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the members or directors, shall be filed in the records of minutes of the Association.

Section 5 - Invalidity; Number; Captions.

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws. As used herein, the singular shall include the plural, and the plural shall include the singular. The masculine and the neuter shall each include the masculine, feminine, and neuter, as the context requires. All captions used herein are intended solely for convenience or reference and shall in no way limit any of the provision of these Bylaws.

Section 6 - Conflicts

These Bylaws are intended to comply with the Oregon Nonprofit Corporation Law, the Plan of Salishan Hills and the Articles of Incorporation. In case of any irreconcilable conflict, such statute and documents shall control over these ByLaws.

ARTICLE IX - AMENDMENTS TO BYLAWS

Section 1 - How Proposed

Amendments to these Bylaws shall be proposed by either a majority of the Board of Directors or by members having one-fourth of the votes entitled to be cast for such amendment. The proposed amendment must be reduced to writing and shall be included in the notice of any meeting at which action is to be taken thereon.

Section 2 - Adoption

The proposed amendment may be adopted by either of the following methods:

(a) By the Board of Directors at a regular or special meeting called for that purpose, at which a quorum is present, by a majority vote, or

(b) By the membership at a regular or special meeting called for that purpose, at which a quorum is present, by a 2/3rds vote of the members present in person or by proxy at such meeting, but in no event will amendment require greater than an affirmative majority of the votes to amend any provision of the Bylaws.

Section 3 - Recording

Once adopted, such amendment shall be copied in the appropriate place of the Minute Book of the Association containing the original Bylaws. If any Bylaw is repealed, the fact of such repeal and the date on which the repeal occurred shall be stated in such book and place.

Section 4 - Notice to Members

In all cases, all owners shall be advised within six months of any changes made to the Bylaws of the Salishan Hills Owners Association.

* * * * *

This document incorporates the Original Bylaws (not recorded) and the latest amendments to the Bylaws recorded December 4, 1993. Book 272 Page 1617-1621.

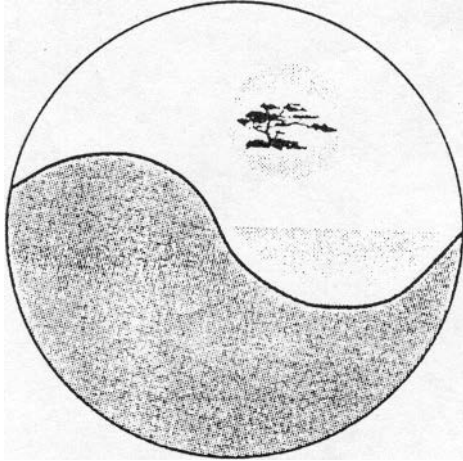
BYLAW AMENDMENTS

Article I	Section 4	Replaced	12-4-93
Article I	Section	Added	12-4-93
Article II	Section 1	Amended	12-4-93
Article III	Section 8	Amended	12-4-93
	Section 8	Amended	1-26-95
Article III	Section 10	Added	12-4-93
Article IV	Section 1	Amended	12-4-93
Article IV	Section 2	Added (new)	1-26-95
Article IV	Section 2 (c)	Amended	8-21-96
Article IV	Section 3	Amended	12-4-93
Article IV	Section 3	Formerly Sect. 2	1-26-95
Article IV	Section 4	Added (new)	1-26-95
Article IV	Section 5	Formerly Sect. 3	1-26-95
Article IV	Section 6	Amended	12-4-93
Article IV	Section 6	Formerly Sect. 4	1-26-95
Article IV	Section 7	Replaced	12-4-93
Article IV	Section 7	Formerly Sect. 5	1-26-95
Article IV	Section 8 (d)	Added	12-4-93
Article IV	Section 8 (e)	Added	12-4-93
Article IV	Section 8	Formerly Sect. 6	1-26-95
Article IV	Section 9	Formerly Sect. 7	1-26-95
Article IV	Section 9 (d)	Amended	9-23-96
Article IV	Section 10	Formerly Sect. 8	1-26-95
Article IV	Section 11	Formerly Sect. 9	1-26-95
Article IV	Section 12	Formerly Sect. 10	1-26-95
Article IV	Section 13	Formerly Sect. 11	1-26-95
Article IV	Section 1	Amended	7-27-01
Article V	Section 1	Amended	12-4-93
Article V	Section 2	Amended	9-23-96
Article VI	Section 1 (c)	Amended	12-4-93
Article VII		Amended	12-4-93
Article VII	Section 7	Amended	12-4-93
Article VII	Section 8	Added	12-4-93
Article VII	Section 9	Added	12-4-93
Article VIII	Section 5	Added	12-4-93
Article IX	Section 2	Replaced	12-4-93
Article IX	Section 4	Added	12-4-93

This document also incorporates 11-8-94 corrections recorded in Books 291, pages 332-334; 1-26-95 amendments; 8-21-96 amendments 9-23-96 amendments recorded 12-30-96 in Books 330, pages 1372 and 1373.

Salishan Hills

Declaration



The management of Salishan Hills provides these documents as a service to unit owners. The Board has attempted to incorporate the latest revisions to all documents. However, if a person is reviewing these documents for other than general informational purposes, he/she is encouraged to consult an attorney and obtain the actual recorded Plan, Declaration, and Bylaws from the Lincoln County Recorder's office.

This document incorporates the original Declaration filed 1-17-76 in Lincoln County, Oregon, Book 63, Pages 1895-1901 and the Amendments filed 12-4-93 in Lincoln County, Oregon, Book 272, Pages 1605-1609.

THE SALISHAN HILLS DECLARATION

AS AMENDED AT THE ANNUAL MEETING OF JULY 1993 AND REGISTERED IN LINCOLN COUNTY, OREGON, DECEMBER 4, 1993, SUBJECTING SALISHAN HILLS I TO THE PLAN OF SALISHAN HILLS

By instrument dated January 17, 1976 and recorded on January 28, 1976 in Book 62 of the Records of Deeds of Lincoln County, Oregon at Page 309, SALISHAN HILLS, INC., an Oregon corporation, "the Developer", has established the Plan of Salishan Hills.

The Plan of Salishan Hills contemplates that Developer will organize within Salishan Hills a number of residential areas.

Developer has determined upon a development plan for Salishan Hills. The plan contemplates that Salishan Hills will be a community with diverse types of dwelling arrangements. Homes within Salishan Hills will be attractive either for permanent residence or for recreational use. Owners of homes within Salishan Hills will have available common areas for their use as set forth in the Plan of Salishan Hills.

Developer proposes to establish and maintain a high standard for the improvement of private areas within Salishan Hills to the end that property within Salishan Hills will have a continuing value for those who acquire it.

On April 13, 1976, Developer filed a plat entitled Salishan Hills I, which plat is recorded in Book 12 of the Records of Plats of Lincoln County, Oregon at Page 15. The area described on such plat is an area in which homes will be single-family houses on individual lots. Developer now wishes to subject the area known as Salishan Hills I described on such plat to the Plan of Salishan Hills and to make provision for the conditions upon which private areas within such property may be used.

NOW, THEREFORE, Developer does hereby declare and provide as follows:

SECTION 1 - Definitions

When used herein the terms referred to below shall have the following meanings:

- 1.1 "Salishan Hills I" is that property described on the plat of Salishan Hills I identified above.
- 1.2 Incorporation by reference. Each of the terms defined in Section 1 of the Plan of Salishan Hills shall have the meanings set forth in such Section 1.
- 1.3 "Improvement" shall mean every building or structure of any kind, fence, wall, driveway, sewage facilities or other product of construction if it is on or in respect of land.

SECTION 2 - Establishment of Salishan Hills I

2.1 Plan of Salishan Hills. Pursuant to Section 2.1 of the Plan of Salishan Hills, Developer hereby declares as follows:

- (a) All property within Salishan Hills I shall be subject to and entitled to the benefits of all of the terms, benefits, covenants, conditions and restrictions contained in the Plan of Salishan Hills. Among other things, each unit owner shall enjoy the easements set forth in Section 2.3 and 2.4 thereof, will be required to pay the maintenance assessments for which provision is made in Section 5 thereof, will be subject to the fines and penalties for which provision is made in Section 9 and property owned by them will be subject to liens as provided in Section 9.

(b) Each numbered lot shown on the plat of Salishan Hills I shall constitute a private area for purposes of the Plan of Salishan Hills. Each such lot shall constitute a "unit" within the meaning of Section 1.17 of the Plan of Salishan Hills. The owner of each lot shall be a "unit owner" within the meaning of Section 1.18 of the Plan of Salishan Hills.

(c) Areas designated on the plat of Salishan Hills I as "Tract B" shall be common areas for all purposes of the Plan of Salishan Hills.

(d) Areas designated on the plat of Salishan Hills I as Tract A shall be private ways for all purposes of the Plan of Salishan Hills.

Section 3 - Declaration as to Restrictions on the Use of Private Areas and Common Areas Within Salishan Hills I

3.1 Declaration of restrictions. All private areas and common areas, if any, within Salishan Hills I are held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved only in accordance with the provisions made in this instrument and in the Plan of Salishan Hills.

3.2 Use and occupancy of private areas. Each unit owner within Salishan Hills I shall be entitled to the exclusive use and benefit of each unit owned by him, except as otherwise expressly provided herein and in the Plan of Salishan Hills.

3.3 Provisions affecting construction and alteration of improvements in private areas. No person shall construct or reconstruct any improvement, or alter or refinish the exterior of any improvement on any unit, make any excavation or fill on a unit, make any change in the natural or existing surface drainage of a unit or install a utility line, outside antenna or other outside wire on a unit unless such person has first obtained the consent thereto of the Design Committee.

3.4 General provisions for and restrictions on use of private areas.

(a) Maintenance. The grounds of and improvements on each unit shall be maintained in a clean and attractive condition in good repair and in such fashion as to eliminate any fire or other potential hazard.

(b) Residential use. No buildings other than a single-family dwelling unit, a garage for private use and a guest house or servants' quarters may be constructed on any unit. Any guest house or servants' quarters may be used only by the immediate family or servants of the unit owner or the lessee of a unit and by his guests. No single family dwelling, guest house, or servants' quarters may be rented or leased for a term of less than 90 consecutive days. The rent/lease agreement form shall be filed with the Manager. Subleasing is prohibited.

(c) Temporary structures. Temporary structures which have been approved by the Design Committee shall be permitted on a unit during the period of construction of a dwelling house. However, any such temporary structure shall be removed within 30 days after completion of the dwelling house or within one year after the date upon which the temporary structure was erected, whichever period first expires.

(d) Appearance. All garbage, trash, cuttings, refuse, garbage and refuse containers, oil tanks, clothes lines and other service facilities, shall be screened from view, from neighboring units and from common areas in a manner approved by the Design Committee.

(e) Signs. No signs shall be placed or kept on any unit other than signs stating the name of the occupant and the address of the unit except that in the event an owner wishes to advertise his unit for sale or lease he may do so provided that he shall use for that purpose a sign provided by or approved by the Administrator and placed at a location specified by the Administrator.

(f) View. In some cases it will be important that unit owners restrict the height to improvements on their units and the height of vegetation and trees growing thereon to the end that the view of other unit owners shall be preserved to the greatest extent possible. Limitation as to the height of improvements will be accomplished through the provisions contained in Section 3.3. The Design Committee shall have the responsibility for determining what trees or other vegetation on a unit unreasonably interfere with the view of other unit owners. It is not the intention to remove trees or vegetation, which were on the property when it sold. The intent is to possibly control growth in the future. In any case in which the Design Committee shall determine that there is such

interference it shall send a notice in writing to the unit owner on whose unit the offending trees or vegetation are located, which notice shall set forth the extent to which trees or vegetation shall be pruned or removed. If within 30 days of receipt of such notice the unit owner of the unit to which notice has been addressed has not caused the trees or other vegetation to be pruned or removed to the extent required by the Design Committee, the Administrator of Salishan Hills may direct the work to be done at the expense of the unit owner who has requested the pruning or removal of such trees or other vegetation.

(g) Offensive activities. No offensive activity shall be carried on in any unit nor shall anything be done or placed upon any unit which interferes with or jeopardizes the enjoyment of other units or common areas.

3.5 Uses prohibited without Design Committee consent. Unless the consent of the Design Committee has first been obtained none of the following shall be done on any unit or any common area:

(a) No exterior lighting or noise-making devices shall be installed or maintained.

(b) No trees larger than 6 inches in diameter shall be removed; also no trees or vegetation, the removal of which would adversely effect drainage or erosion control, shall be removed. No trees, shrubs or other vegetation shall be planted that will obstruct the view of other owners.

3.6 Uses prohibited without the consent of the Administrator. Except with the consent of the Administrator of Salishan Hills, no unit or common area, if any, in Salishan Hills I shall be used in any of the following ways:

(a) No trailer, truck camper, motor home, boat or boat trailer shall be placed or kept thereon if visible from any other unit or from roadways or common areas.

(b) No animals of any kind shall be raised, kept or permitted other than a reasonable number of domestic household pets which are not kept, bred or raised for commercial purposes and which are reasonably controlled so as not to be a nuisance to other units. Pets will be subject to Rules and Regulations as provided for in the Plan of Salishan Hills

(c) No commercial activities of any kind shall be carried on unless specific approval has been granted by the Administrator.

(d) No exterior fires shall be permitted other than properly contained barbecue fires. No trash disposal fires shall be allowed.

(e) No person shall reside thereon until construction of the main residence thereon has been substantially completed, except as provided in Section 3.4(c).

(f) The Administrator may make rules and regulations of general applicability governing the extent to which any of the foregoing shall be permitted and which shall become a part of the Salishan Hills Rules and Regulations.

Section 4 - Design Committee Consent

In all cases in which Design Committee consent is required hereunder the following provisions together with the provisions contained in the Plan of Salishan Hills shall apply.

4.1 Major construction. In the case of initial or substantial additional construction of a dwelling the unit owner shall first give the Design Committee notice of his intentions and obtain from the Design Committee any site studies it has made of the unit owner's parcel. Thereafter the unit owner shall proceed to prepare and submit to the Design Committee such plans and specifications for the proposed work as the Committee may require. Material required by the Committee may include, but not necessarily be limited to, the following:

(a) A plot plan including contours, location of existing trees, plants and other significant natural features, grading and drainage plan, proposed removal of trees, landscaping plan, location of utility installations, location of all improvements, driveways and parking areas.

- (b) Working drawings and specifications for all construction.
- (c) Drawings showing elevations, exterior materials and exterior color scheme of all improvements.
- (d) The Design Committee will consider requests for approval only from owners of Salishan Hills property. Approvals of the Design Committee may not be transferred. The Design Committee shall render its decision with respect to the proposal within 30 days after it has received all material required by it with respect thereto.

4.2 Minor Work. In the case of minor additions or remodeling, change of existing exterior color scheme or exterior material, removal or planting of trees, shrubs or other vegetation, or any work not referred to in Section 4.1 above, the unit owners shall submit to the Design Committee such plans and specifications for the proposed work as the Committee determines to be necessary to enable it to evaluate the proposal. The Design Committee shall render its decision with respect to the proposal as quickly as is reasonably possible but in no event later than 30 days after it has received all material required by it with respect thereto. A lack of response within 30 days would constitute an approval.

4.3 Design Committee discretion. The Design Committee may in its sole discretion withhold consent to any proposed work if the Committee finds that the proposed work would be inappropriate for the particular unit or incompatible with the high design standards that Developer intends for Salishan Hills. Considerations such as siting, shape, size, color, design, height, impairment of the view from other parcels within Salishan Hills or other effect on the enjoyment of other parcels or common areas, disturbance of existing terrain and vegetation, and any other factors which the Design Committee reasonably believes to be relevant, may be taken into account by the Committee in determining whether or not to consent to any proposed work. The Salishan Planned Development is exempt from Lincoln County yard setback requirements by a variance granted June 22, 1970. The Design Committee for Salishan Hills shall be the governing body.

4.4 Design Committee's failure to act. In the event the Design Committee fails to render its decision with respect to any proposed work within the time limits set forth above, the Committee shall conclusively be deemed to have consented to the proposal.

4.5 Effective period of consent. Design Committee consent to any proposed work shall automatically be revoked one year after issuance unless construction of the work has commenced or the unit owner has applied for and received an extension of time from the Design Committee.

4.6 Completion of authorized work. Unless the consent of the Design Committee has first been obtained, the residential building constructed on a unit must be completed within a period of one year from the date upon which construction of the same was commenced.

4.7 Notice upon completion. Promptly after completion of any work covered by Section 4.1 herein the unit owner shall give written notice of completion to the Design Committee. Within 30 days after receipt of such notice the Committee shall inspect the completed work and give written notice to the unit owner of any respects in which the completed work fails to conform to the plans and specifications therefore as consented to by the Design Committee and is found to be objectionable by the Design Committee. The Design Committee shall specify in such notice a reasonable period, not less than 30 days, in which the owner may remedy the nonconformance. In the event a notice of nonconformance and requirement of cure is not given within such 30-day period, the Committee shall conclusively be deemed to have consented to the work as completed.

4.8 Appeal of Design Committee decisions. Any owner who disagrees with a decision of the Design Committee may submit a written appeal to the Salishan Hills Board of Directors. Such written appeal must be filed within 30 days from the written notification to the owner of the Design Committee decision. The Board of Directors must act within 30 days of receipt of the appeal. The judgement of the Board of Directors shall be final. A lack of response within 30 days to the written appeal to the Board of Directors would constitute an approval of that appeal.

SECTION 5 - Classification of Lots and Reservation of Easements

Each lot in Salishan Hills I shall be classified in accordance with Section 1.17 of the Plan of Salishan Hills into two parts - the "buildable area" and the "open area". The primary view shall also be indicated. The classification of each lot and indication of the primary view shall be made not later than the time of and shall be described in the conveyance of the lot by Developer to the unit owner, provided, however, that the classification may thereafter be changed with the approval of the Design Committee by an instrument executed and acknowledged by the unit owner and the Administrator of Salishan Hills and recorded in the Deed Records of Lincoln County, Oregon.

Developer reserves for itself and its successors and assignees an easement on the entire open area portion of each within Salishan Hills I solely for the purpose of laying, maintaining and replacing under-the-ground water, electrical, telephone, television, sewage and other utility lines and facilities and developing, using and maintaining walking trails.

SECTION 6 - Miscellaneous

6.1 Amendment and repeal. With the consent of the Administrator of Salishan Hills any provisions of this Salishan Hills I Declaration may at any time be amended or repealed or provisions may be added by any of the following methods:

- (a) While Developer retains the beneficial ownership of 50 percent or more of the units within Salishan Hills I, by written consent of unit owners owning 75 percent of the units within Salishan Hills I; or
- (b) Unit owners owning 75 percent of the units within Salishan Hills may consent in writing to the amendment or repeal of a provision or to the addition of new provisions; or
- (c) Any association organized for Salishan Hills may consent to such amendment, repeal or addition.

The association shall be deemed to have consented to the amendment or repeal of a provision contained in this Salishan Hills I Declaration or to the addition of a new provision if the following procedure shall have been followed:

- (1) The board of directors of the association shall have adopted a resolution setting forth the proposed amendment, provision for repeal or proposed additional provision and directing that it be submitted to a vote at a meeting of the members, which may be either an annual or a special meeting.
- (2) Written notice setting forth the proposed amendment, provision for repeal or proposed additional provision, or a summary of the changes to be effected thereby, shall be given to each unit owner within Salishan Hills at least 60 days prior to the time of the meeting at which the proposed amendment, provision for repeal or proposed additional provision is to be considered.
- (3) At the meeting of the members at which the proposed amendment, provision for repeal or proposed additional provision is to be considered, the proposed amendment, provision for repeal or proposed additional provision shall be submitted to a vote of the members. The proposed amendment, provision for repeal or proposed additional provision shall be adopted upon receiving two thirds of the votes entitled to be cast by all of the members of the association.

No areas designated as common areas may be alienated by the association without the approval of all holders of mortgages or trust deeds on units within Salishan Hills.

Any amendment or repeal of a provision of this Salishan Hills I Declaration or additional provision shall become effective only upon the filing in the Records of Deeds of Lincoln County, Oregon, of a certificate of the president, secretary or assistant secretary of the Administrator of Salishan Hills setting forth in full the amendment, amendments, additional provision or repeal approved as provided in this Section and certifying that said amendment, amendments, additional provision or repeal have been approved in the manner required therefore herein.

6.2 Duration. The covenants and provisions contained herein shall run with the land affected thereby and shall be and remain in full force and effect at all times with respect to all property included within Salishan Hills I and the unit owners thereof for an initial period of 45 years commencing with the date on which this Declaration is

recorded. Thereafter such provisions and covenants shall continue to run with the land and be and remain in full force and effect at all times with respect to all property in Salishan Hills I affected thereby and the unit owners thereof for successive additional periods of ten years each. The continuation from the initial or any additional period into the next subsequent period shall be automatic and without the necessity of any notice or consent whatever, provided, however, that such provisions and covenants may be terminated at the end of the initial or any additional period by the method provided in Section 6.1 for the amendment, repeal or addition of a provision to this Salishan Hills I Declaration. Any such termination shall become effective upon the filing in the Records of Deeds of Lincoln County, Oregon, of a certificate of the president, secretary or assistant secretary of the Administrator of Salishan Hills certifying that termination as of a specified termination date has been approved in the manner required therefore herein not less than one year prior to the intended termination date.

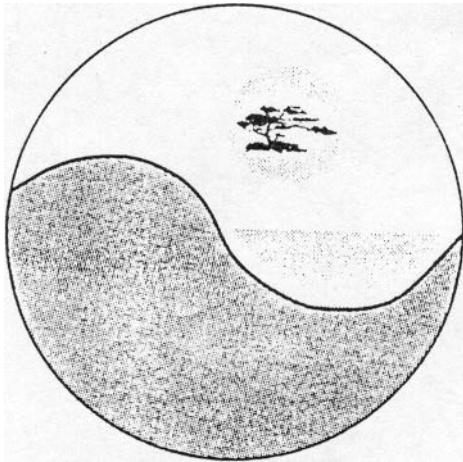
6.3 Construction; severability; number; captions. This Salishan I Declaration shall be construed as an entire document to accomplish the purposes stated in the introductory paragraphs of this Declaration. Nevertheless, each provision of this Salishan Hills I Declaration shall be deemed independent and 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 the singular. The masculine and neuter shall each 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 of this Salishan Hills I Declaration.

This document incorporates the original Declaration filed 1-17-76 in Lincoln County, Oregon, Book 63, Pages 1895-1901 and the Amendments filed 12-4-93 in Lincoln County, Oregon, Book 272, Pages 1605-1609.

Salishan Hills

Rules & Regulations



The management of Salishan Hills provides these documents as a service to unit owners. This document contains the latest revisions to the Rules & Regulations of Salishan Hills.

SALISHAN HILLS RULES AND REGULATIONS
Revised 9/21/2012 by the Salishan Hills Board of Directors

**THE BASIC RULE FOR USE OF SALISHAN HILLS
COMMON AREAS AND ROADWAYS
IS COURTESY AND CONSIDERATION FOR ALL OTHERS.**

These rules apply uniformly and impartially to all owners, members, lessees, guests and their employees. To enjoy and maintain the highest quality of Salishan's secluded, leisurely lifestyle in this setting of natural beauty please inform the Administrator - the Salishan Hills Board of Directors - and the Manager of any infraction of these rules you observe. Appropriate enforcement action will be taken.

I. Traffic Control

- A. Speed limit is 20 MPH. or less where posted. Stay to the right of yellow line at all times while driving.
- B. Street and Lane Priority
 - 1. All traffic entering Salishan Hills Drive must **stop** before entering. Traffic from cul-de-sacs and driveways must **stop** before entering Siletz View Lane and Fairway Drive. Stop signs and white cross lines are used to assist drivers in recognizing when they are entering roads with a higher priority.
 - 2. In case of an accident, the above will be used to determine who is at fault.
- C. Parking
 - 1. Do not block roadways or driveways.
 - 2. No parking on tennis court driveway or lower area by restrooms is allowed. Tennis parking is east of Salishan Hills Drive at entry to courts.
 - 3. Parking of vehicles, vans, or other equipment on adjoining owner's lot is not permitted without the owner's permission.
 - 4. No trailer, truck camper, motor home, boat or boat trailer shall be parked on your property or on the roads, except for temporary periods of time not to exceed 12 hours, without the manager's permission.
 - 5. No vehicle parking on non-prepared areas of owner's property.
- D. Salishan Hills Vehicular Traffic

To protect Salishan Hills private road system, all vehicular traffic is limited to the use, construction or maintenance of an owner's resident lot, or Association common areas.

To ensure added road integrity and safety, any and all loaded vehicles shall not exceed 60,000 pounds total weight and/or total length greater than 40 feet.

Any and all exceptions to the above uses or load limits must be reviewed and approved by the Board of Salishan Hills Owners Association.

II. Entry Gate

- A. Only owners and lessees are to know the telephone number or gate entry.
 - 1. Non-owners, unregistered residents or strangers using the number may be asked for their source of the gate entry number.
 - 2. When it can be verified that an owner gave out the number, a fine in the amount of \$50.00 will be assessed against that owner. If the fine is not paid within 30 days of notification, it will be filed as a lien against their property in accordance with Section 9.(a) of The Plan of Salishan Hills.
- B. Gate breakage will be fined at the rate of \$50.00. If such fine is not paid by the person upon whom it is imposed, it shall be paid by the member, who by virtue of his ownership of a unit, caused the person upon whom the fine was imposed to be a guest, or resident or employee/contractor of Salishan Hills.

III. Foot Paths

- A. Only foot traffic may use the paths. No wheeled vehicles, including bicycles, are allowed.
- B. Picking or digging of shrubs and/or foliage along footpaths and common areas is prohibited.

IV. Tennis Courts

- A. Playing times are from 8:00 A.M. to 8:00 P.M.
- B. Tennis courts are for use by owners, relatives, guests and lessees. Any other persons must be accompanied by an owner.
- C. A blackboard has been installed and owners or authorized persons are required to sign in, giving their name, court number, and lot or condo number. Only one authorized person is required to sign in for each playing group.
- D. If courts are full when new players arrive, the players having played longest will vacate their court upon completing the set in progress.
- E. Close and latch the court gate when leaving the courts.
- F. All litter is to be placed in litter containers.
- G. Proper tennis attire, including tennis shoes, is required at all times.
- H. Enforcement of tennis court rules will be the responsibility of the Board of Directors and the Manager. No owner is authorized to question any person using the courts. Any questionable usage observed by an owner is to be reported to the Manager who will take the proper action.

V. Home Building

- A. Owners are responsible for compliance with all Rules and Regulations of the Salishan Hills Design Committee.
- B. Upon securing Design Committee approval the owner or his representative must meet with the Manager of Salishan Hills Association to complete and sign the SHOA Building Permit, prior to the starting of any construction activity, and to furnish the name of the Licensed General Contractor. **All procedures outlined by the Manager of Salishan Hills must be followed, as well as all rules and regulations specified by the Design Committee.**
- C. The General Contractor is required to meet with the Manager of SHOA and complete the Contractors Construction Agreement. The General Contractor and the Manager of SHOA will do an on-site inspection, prior to the start of construction, to develop and agree upon a Site Mobilization Plan.
- D. Contractors must exercise all reasonable care during construction to minimize litter, dirt, gravel and other construction materials, from being scattered on adjoining properties, common grounds and roadways. Contractors must clean up all such spills promptly. If contractor is negligent about this and does not respond to Manager's request for compliance to the rules, the Manager will have the work done and deduct the cost of such work from the Contractor's refundable deposit.
- E. Driving onto or across other owners property, without that owners permission, to gain access to the construction site is expressly prohibited.

VI. Trash Pickup

- A. Trash containers must be stored in an out-of-sight location as viewed from roadways and neighboring houses.
- B. Trash containers are to be removed from roadway pickup sites the day such pick up is made.

VII. Lot Maintenance Requirements

- A. When visible from any roadway or from occupied property, the accumulation of unsightly materials, equipment and vehicles on owners' lots is not permitted. The Board will investigate all complaints relating to "unsightly materials, equipment and vehicles" and fines may be levied.
- B. Owners or lessees are required to maintain their lots so as to eliminate any fire or other potential hazard.

VIII. Pet walking

- A. Pets must be on a leash when not on owner's property and under the owner's or handler's control at all times.
- B. The pet handler is responsible for removing pet litter from paths and road right of ways. Pet litter on grass shoulders of roads causes undesirable problems for maintenance personnel.

IX. Boat Parking

- A. There are a limited number of parking spots at the water tower near Ocean View Lane on which the K-GB-LB Water Company will permit the parking of boats and boat trailers. The Manager may assign these parking spots as they are available. All boats and trailers must have displayed in proper fashion all legally required licenses and tags.
- B. Boats and trailers without current licenses and tags may be considered abandoned and may be disposed of by the Manager.

X. Rental/Lease Agreements

- A. When renting or leasing a unit a rental/lease agreement must be filed with the Manager.
- B. A copy of the rental/lease agreement form is available from the Manager.

XI. For Sale Sign Standards

- A. One sign per home or lot is allowed. The sign shall be erected as close as feasible to the center line of the property. The sign may be erected on the property when it is listed for sale and remain until the sales transaction is completed or listing expires. The owner or realtor is responsible for maintaining, and the prompt removal of the sign.
- B. The maximum square inches of the sign is 400 square inches.
- C. The content of the wording on the sign is expressly limited to:

FOR SALE
NAME OF REALTY FIRM OR PROPERTY OWNER
ADDRESS
TELEPHONE NUMBER

*Note - "Sold" is not allowed on the sign when the property sells.

XII. Regulation of Sales: Required Documents

- A. Oregon Revised Statutes 94.740 mandates that in a planned community (Salishan Hills is a planned community) any person selling a unit shall assist a prospective purchaser in securing these documents:
 - 1. Statement of Planned Community Information. This statement consists of two parts: (a) the "Current Status of Homeowner Association" and (b) the "Standard Form".
 - 2. Salishan Hills Declaration.
 - 3. The Plan of Salishan Hills.
 - 4. Bylaws of Salishan Hills.
 - 5. Salishan Hills Rules and Regulations.
 - 6. Design Committee Rules.

- B. These documents are required to be maintained by the Salishan Hills Owners Association and to be provided to a member upon request.
- C. Single copies of all applicable documents have been supplied to original owners of Salishan Hills lots. Any owner or prospective owner requesting additional copies will be charged \$1.00 per page processing.