

RESTATED
SOMERSET HILLS VIII DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS

This AMENDED & RESTATED SOMERSET HILLS VIII DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made and entered into as of this _____ day of _____, 2020 by **SOMERSET HILLS VIII HOMEOWNER'S ASSOCIATION**, an Oregon DOMESTIC NONPROFIT CORPORATION ("Association").

ARTICLE I
RECITALS

Section 1. Pursuant to Article XI, Section 3, of the originally recorded Somerset Hills VIII Declaration of Covenants, Conditions and Restriction [sic], recorded October 26, 1978, in the Lane County land records as No. 1978-71773, as amended by -----, recorded November 29, 1985, in the Lane County land records as No. 1985-43171 (collectively "Original Declaration"), the Association hereby repeals, revokes and extinguishes the previously-recorded Original Declaration and any amendments thereto and completely replaces the same with this Amended & Restated Somerset Hills VIII Declaration of Covenants, Conditions and Restrictions (the "Declaration").

Section 2. The property that is hereby made subject of this Declaration (the "Property") is located in Lane County, Oregon, and legally described as follows:

Lots 276 through 539 and Common Areas "A, B, C and D" of Somerset Hills VIII, as platted and recorded in File 73, Slides 78, 79 and 80, Lane County Plat Records, in Lane County, Oregon. ("Property")

Section 3. The purpose of this Declaration is to provide for the general governing rules of the Association, to provide for maintenance and repair of the Common Areas, and to set forth other terms and conditions governing the use and enjoyment of the Property.

Section 4. The Association hereby declares that the Property is hereby made subject to all of the following easements; conditions, covenants, and restrictions; and other provisions of this Declaration, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Somerset Hills VIII Homeowner's Association, its successors and assigns.

Section 2. "Common Area" or "Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the owners and all Common Areas subsequently annexed thereto.

Section 3. "Driveway" shall mean and refer to a paved surface connecting a Private Street to one or more Lots.

Section 4. "Improved Lot" shall mean with completed dwelling thereon.

Section 5. "Living Unit" shall mean any portion of structure intended for use, occupancy or ownership as a residence by a single family.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Areas. A Tandem Lot is two separate Lots, unless improved with one living unit occupying both Lots, whereupon it shall be considered one Lot.

Section 7. "Owner" shall mean any person or entity, including the Association, at any time owning a Lot, including any vendee to whom possession has

passed under a recorded land sale contract, but does not include a tenant or holder of a leasehold interest or a person holding only a security interest in a Lot, including any vendor who has surrendered possession under a recorded land sale contract.

Section 8. "Private Street" shall mean and refer to the improved private access roads shown upon the Somerset Hills VIII recorded subdivision map.

Section 9. "Property" shall mean and refer to that certain real property described above, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to limit the number of guests of Owners permitted to use the Common Areas
- (b) the right of the Association to suspend the voting rights and right to use of any recreational facilities by an Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) the right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use, from time to time, in the interest of securing maximum safe usage of the Common Areas by the Owners and their guests, without unduly infringing upon the privacy or enjoyment of the Owner or occupant of any part of the Property including, without limitation, rules restricting persons under or over designated ages from using certain portions of the Property during certain times, and reasonable regulations and restrictions regarding parking;
- (d) the right of the Association, in accordance with the By-Laws, to borrow money for the purpose of improving the Common Areas or any structures or improvements thereon and in aid thereof, to mortgage said Common Areas, structures or improvements for such purposes, and the rights of any mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder; and
- (e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the Owners agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By- Laws, the Owner's right of enjoyment to the Common Area and facilities to the members of the Owner's family, the Owner's tenants, or contract purchasers who reside on the Property.

ARTICLE IV MEMBERSHIP and VOTING RIGHTS

Section 1. During the entire period of any Owner's ownership of one or more Lots, such Owner shall be a Member of the Association. For Lots with more than one Owner, the Owners shall collectively hold one undivided membership in the association and shall collectively be referred to as "Member." 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. If a Living Unit is non-owner occupied the occupant(s) or tenant(s) will not become a Member of the Association and will not be entitled to exercise voting rights of the Owner.

Section 2. Voting rights within the Association shall be allocated one vote per Lot, regardless of the number of Owners of such Lot. If an Owner owns more than one

Lot, the Owner has one vote for each Lot owned. The Board of Directors is entitled to vote on behalf of any Lot that has been acquired by or on behalf of the Association. However, the Board is not entitled to vote any Lot in any election of directors. The method of voting is specified in the Bylaws.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments for capital improvements and (3) limited assessments or charges, with such assessments to be established and collected as hereinafter provided.

The annual, special and limited assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessments fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents on and about the Property and, in particular, for the improvement and maintenance of the Property, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas.

Section 3. Annual Assessment. Effective on January 1 of the year following adoption of these Restated Covenants, Conditions, and Restrictions, the annual assessment shall be \$200 per year for each developed Lot, and \$50 per year for each undeveloped Lot.

The Board of Directors may fix the annual assessment each year thereafter at an amount not in excess of the amount necessary to maintain the Common Areas, provided that the maximum annual assessment may be increased by no more than five percent (5%) without prior approval of the Owners. The assessment may be increased by more than five percent (5%) in any given year by a vote of a majority of the Owners who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4. Special Assessments for Capital Improvements. In addition to annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto. Such special costs may include, but are not limited to, the repair and maintenance of the Private Streets and similar special costs. Any such assessment shall have the assent of fifty-one percent (51%) of the votes of Owners who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Limited Assessments. The Association may levy against any Owner a Limited Assessment equal to the costs and expenses incurred by the Association, including legal fees, for corrective action performed pursuant to this Declaration when such action is required as a result of the willful or negligent actions or omissions of such Owner or such Owner's tenants, guests, contractors, agents or invitees. The due date for payment of Limited Assessments shall be established by the Board of Directors.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Owners not less than fifteen (15) days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast twenty percent (20%) of all of the votes shall constitute a quorum.

Section 7. Reserves. The Association may establish a reserve account in such amount as the Association, in the Board's sole and absolute discretion, may deem necessary or advisable. The reserve account so established, including both principal and interest therefrom, shall be administered by the Association. Provided, however, the use of reserve shall

be restricted to the repair, maintenance and replacement of Common Areas and any structures or improvements thereon. In no event shall the Association be held liable for or incur any obligation regarding failure to establish the reserve account, or the adequacy thereof, and no action at law or suit in equity shall lie there from.

Section 8. Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of each calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot on or before January 1 of each year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 9. Effect of Non-payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear late fees, interest and penalties from the due date at the rate set by the Board per Article X1, Section 2. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties expressly dedicated to and accepted by a local public authority, (b) the Common Areas, and (c) all other properties owned by the Association.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Architectural Review. Subject to the restrictions set forth in Article X, no modification, building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and location of the same shall have been submitted to the Architectural Control Committee and approved in writing as to harmony of external design and location in relation to surrounding structures, topography and existing or planned plantings by the Board of Directors of the Association or by the Architectural Control Committee. Any exterior maintenance of structures sharing a party wall with another structure shall require approval of the Board.

Section 2. Procedure. In all cases that require Architectural Control Committee approval or consent pursuant to this Declaration, the provisions of this Article 5 shall apply. The procedure and specific requirements for Architectural Control Committee approval or consent may be set forth in Design Guidelines adopted from time to time by the Board. The Architectural Control Committee may charge a reasonable fee to cover the cost of processing an application for its approval.

Section 3. Committee Decision. The Architectural Control Committee shall render its decision on an application for approval of the design of an improvement or any other proposal submitted to it for approval or consent within 45 business days after it has received a complete, written application therefore. A complete application shall specify the approval or consent requested and be accompanied by all material reasonably required or desired by the Architectural Control Committee to make an informed decision on such application. If the Architectural Control Committee fails to render approval or disapproval of such application within 60 working days after the Architectural Control Committee has received a complete application, or if no suit to enforce the terms of this Declaration has been commenced within one year after completion of construction of the Improvement, approval will not be required and the related provisions of this Declaration shall be deemed to have been fully complied with.

Section 4. Committee Discretion. The Architectural Control Committee may, at its sole discretion, withhold consent to any proposed improvement or modification if the Architectural Control Committee finds the proposal would be inappropriate for the particular Lot or incompatible with the design standards that are the Architectural Control Committee intends for the Property. Consideration of siting, shape, size, color, design, height, solar access, impairment of the view from other Lots within the Property, effect on the enjoyment of other Lots or the Common Areas, disturbance of existing terrain and vegetation, long term potential costs to the Association, and any other factors the Architectural Control Committee reasonably believes to be relevant, may be taken into account by the Architectural Control Committee in determining whether or not to approve or condition its approval of any proposed improvement or modification.

Section 5. Membership, Appointment & Removal. The Architectural Control Committee shall consist of at least three (3) Owners appointed by the Board. The Association shall keep on file a list of the names of and contact information for the members of the Architectural Control Committee. The Board may remove any member of the Architectural Control Committee from office at any time in its sole discretion and may appoint new or additional members at any time. If the Board fails to make such appointments, the Board shall serve as the Architectural Control Committee.

Section 6. Majority Action. Except as otherwise provided herein, a majority of the members of the Architectural Control Committee shall have the power to act on behalf of the Architectural Control Committee without the necessity of a formal meeting. The Architectural Control Committee shall render its decision in writing, either in paper or electronic format, setting forth the action taken by the members consenting thereto.

Section 7. Liability. The scope of the Architectural Control Committee's review is not intended to include any review or analysis of structural, geophysical, engineering, or other similar considerations. Neither the Architectural Control Committee nor any member thereof shall be liable to any Owner, occupant, builder, or developer for any damage, loss or prejudice suffered or claimed on account of any action or failure to act of the Architectural Control Committee or a member thereof, provided only that the member has, in accordance with the actual knowledge possessed by the Architectural Control Committee or by such member, acted in good faith.

Section 8. Nonwaiver. Consent by the Architectural Control 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.

Section 9. Appeal. Any Owner adversely affected by a decision of the Architectural Control Committee may appeal to the Board. Appeals shall be made in writing within 10 days after the Architectural Control Committee's action and shall contain specific objections or mitigating circumstances justifying the appeal. A final, conclusive decision shall be made by the Board within 30 business days after receipt of such notifications.

Section 10. Effective Period of Consent. The Architectural Control Committee's consent to any proposed improvement or modification shall automatically be revoked one year after issuance unless work has been commenced on the improvement or modification, or the Owner has applied for and received an extension of time from the Architectural Control Committee.

Section 11. Estoppel Certificate. Within 30 business days after written request therefore is delivered to the Architectural Control Committee by an Owner, and upon payment to the Architectural Control Committee of a reasonable fee, if any, fixed by the Architectural Control Committee to cover costs, the Architectural Control Committee shall provide such Owner with an estoppel certificate executed by a member of the Architectural Control Committee and acknowledged, certifying with respect to any Lot owned by the Owner, that as of the date thereof, either: (a) all improvements or modifications made or done upon or within such Lot by the Owner comply with this Declaration or (b) such improvements or modifications do not so comply. If the estoppel certificate states that the improvements or modifications do not comply, such certificate shall also identify the noncomplying improvements or modifications and set forth with particularity the nature of such noncompliance. Any purchaser from the Owner, and any mortgagee or other encumbrancer, shall be entitled to rely on such certificate with respect to the matters set forth therein, such matters being conclusive as between the Architectural Control Committee, the Association and all Owners, and such purchaser or mortgagee.

ARTICLE VII
EXTERIOR AND DRIVEWAY MAINTENANCE

Section 1. Each Owner shall be responsible for maintaining and keeping in good order and repair the interior and exterior of the Owner's own dwelling, including any garage or yard within Lot lines, and any Driveway used by said Owner to access the Owner's Lot. An Owner's responsibility to maintain a Driveway exists regardless of whether some or all of the Driveway would otherwise be part of the Common Area. Each Owner's maintenance or repair obligations shall include, without being limited to, the following: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, Driveway, trees, shrubs, grass landscaped areas, walks, and other exterior improvements as well as keeping such Owner's property free of Nuisances Affecting the Public, as that term is defined by Eugene Code 6.010. Further, subject to Section 6 herein, and Article VII, Sections 2 & 3, joint Owners of a Tandem Lot or Owners whose Driveway is shared with other Owners shall share equally in the expense of such repairs and/or maintenance of such Tandem Lot and/or Driveway provided, however, that in the event that the need for maintenance or repairs is caused by the willful or negligent act of one of the Owners of a Tandem Lot, or the Owner's family, guests, agents, or invitees, the cost of such maintenance or repairs shall be the responsibility of the at-fault Owner.

Section 2. In the event an Owner of any Lot or Driveway shall fail to maintain the same in a manner satisfactory to the Board of Directors, the Association, after approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right through its agents and employees, to enter upon said Lot or Driveway and to repair, maintain, and restore the Lot, the buildings and any other improvements erected thereon and/or the Driveway. Further, any personal property removed from any Lot, improvements thereon, or Driveway under this provision that cannot be reasonably turned over to the Owner at the time of the repair, maintenance, or restoration shall be handled and disposed of in a manner consistent with the provisions of ORS 90.425 related to the disposition of personal property abandoned by a tenant.

Section 3. The costs reasonably associated with any repair, maintenance, or restoration undertaken by the Association pursuant to Sections 1 or 2 shall be added to and become a part of the Limited Assessment to which such Lot is subject, and may become a lien, and enforceable in the same manner.

Section 4. Damage caused by fire, flood, storm, earthquake, riot, vandalism or other causes than normal wear from use and the elements shall be the responsibility of each Owner, but the Association reserves the right to replace the exterior of any structure damaged or destroyed from whatever cause and the cost of such repair or replacement may, in the discretion of the Directors, be added to and become a part of the Limited Assessment to which such Lot is subject, and may become a lien, and be enforceable in the same manner. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and the other Owners who make use of the wall shall contribute equally to the cost of restoration thereof, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions. The word "use" as referred to herein means ownership of a dwelling unit or other structure which incorporates such wall or any part thereof.

Section 5. The Association shall reasonably maintain or provide for the reasonable maintenance of the Common Areas including improvements to said Common Areas.

Section 6. In addition to the maintenance upon the Common Areas, whenever a Tandem Lot is in separate ownership, and the separate Owners cannot agree upon private maintenance for the Tandem Lot or Driveway utilized to access the Tandem Lot, the Association shall provide exterior maintenance upon each such Lot and Driveway, including but not limited to, paint, repair, replace and care for roofs, gutters, downspouts, and all other exterior building surfaces and aggregate, asphalt, concrete, and the like for Driveways. Such maintenance or repairs shall be added to and become a part of the Limited Assessments to which such Tandem Lots are subject, and may become a lien, and enforceable in the same manner. In the event that the need for maintenance or repairs is caused by the willful or negligent act of one of the owners of a Tandem Lot, or the Owner's family, guests, agents or invitees, the cost of such maintenance or repairs shall be added to the at-fault Owner's Lot and become a part of the Limited Assessment to which such Lot is subject. Tandem Lots by way of example are Lots 283/284, 287/288, 291/292, 298/299, 300/301, 310/311, 312/313, 319/320, 321/322, 331/332, 349/350, 362/363, 370/371, 372/373, 381/382, 384/385, 392/393, 394/395, 421/422, 445/446, 461/462, 463/464 of Somerset Hills VIII.

ARTICLE VIII
ENCROACHMENTS AND SHARED EXPENSES

Section 1. If any portion of a party wall or other part of a building or structure, including but not limited to, foundation, roof overhangs, and fireplaces, now or hereafter constructed upon said property, encroaches upon any part or the Common Areas (other than those parts of the Common Areas actually used for public sanitary and storm sewers,) or upon the Lot or Lots used or designated for use by another Lot Owner, an easement for the encroachment and for the maintenance of same' is granted and reserved and shall exist, and be binding upon all present and future Owners of any part of said property for the benefit of the present and future Owners of such encroaching building or structure for the purpose of occupying and maintaining the same; in the event a structure consisting of more than one living unit becomes partially or totally destroyed or in need of repair or replacement, mutual and reciprocal easements are granted and reserved upon the Common Areas and in and upon each living unit and Lot for the benefit of the Association and the adjacent Owner or Owners to the extent reasonably necessary or advisable to make repairs and replacements; and minor encroachments resulting from any such repairs and/or replacements and the maintenance thereof are hereby granted and reserved for the benefit of the present and future owners thereof. The easements for encroachment herein granted and reserved shall run with the land.

Section 2. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall. Notwithstanding any other provision of this Article, an Owner who by such Owner's own negligent or willful actions or those of the Owner's family, guests, agents or invitees causes the party wall to be damaged or exposed to the elements shall bear the whole cost of furnishing the necessary repairs or protection against such elements.

Section 3. Where there are Driveways falling within multiple Lot lines, the cost of reasonable repair and maintenance of the same shall be borne in equally by the Owners who use such Driveway to access their Lots. No such Driveway shall be obstructed in any manner.

Section 4. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title. In the event of any dispute arising concerning a party wall, Driveway or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators. The costs associated with such arbitration shall be born equally by the parties, except that each party shall be responsible for its own attorney fees.

ARTICLE IX
EASEMENTS

All conveyances of land situated in the said Property shall be subject to the foregoing restrictions, conditions and covenants, whether or not the same be expressed in the instruments of conveyance, and each and every such instrument of conveyance shall likewise be deemed to grant and reserve, whether or not the same be declared therein, mutual and reciprocal easements over and across all of the Common Areas of said Property for the purposes of traveling by foot or conveyance or resting or otherwise being there, and over, under and across all portions of said Property (except those portions thereof actually intended to be occupied as living space in any building now or hereafter located upon said Property) and specifically including, without being limited thereto, the interior of party walls, attic crawl spaces and the area below the living space in any living unit, for the purpose of building, constructing and maintaining underground or concealed electric and telephone lines, gas, water, sewer, storm drainage lines, radio and television antennae and cables, and other utilities and services now or thereafter commonly supplied by public utilities or municipal corporations and upon, over or under all Common Areas for constructing and maintaining thereon streets, creeks, sewers, drain and water lines, driveways,; all of said easements shall be for the benefit of all present and future Owners of Lots subjected to the jurisdiction of the Association by recorded covenants and restrictions recorded as hereinabove provided, and their tenants, contract purchasers and guests, said easements and rights of use, however, shall not be unrestricted but shall be subject to reasonable rules and regulations governing said right of use, as promulgated from time to time by the Directors of the Association in the interest of securing maximum safe usage of said easements without unduly infringing upon the privacy of the Owners or occupant of any part of said Property. An easement over, upon and across all parts of said Property is granted and reserved to the Association, its successors and assigns to the extent reasonably required to perform exterior maintenance and to the extent reasonably necessary to perform other maintenance reasonably

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necessary or advisable to protect or preserve the value of said Property and the living units thereon.

ARTICLE X SOMERSET HILLS VIII USE RESTRICTIONS

Section 1. Single Family Use. Lots shall only be used for single-family, residential purposes and no buildings shall be erected on any Lot except dwellings, garages or carports. Further, any building used for residential purposes, exclusive of open porches and garages, shall contain not less than 800 square feet of habitable floor area. Except as provided herein, no trade, craft, business, profession, commercial, or similar activity of any kind ("commercial activities") shall be conducted on any Lot, and no goods, equipment, vehicles, materials, or supplies used in connection with any trade, service, or business shall be kept or stored on any Lot. Nothing in this section shall be deemed to prohibit: (a) activities relating to the sale of residences; (b) the right of any contractor or homebuilder to store construction materials and equipment on such Lots in the normal course of the repair or approved change or alteration, provided that such work is completed promptly and that the storage occurs only during such time as the work is ongoing; and (c) the right of the Owner of a Lot to maintain such Owner's personal business or professional library, keep such Owner's personal business or professional records or accounts, and handle such Owner's personal business or professional telephone calls .

Section 2. Rentals. Except with the written consent of the Association and written consent of the adjoining Owner, which shall not be unreasonably withheld, no Owner may lease or rent such Owner's living unit if such unit is located on a Tandem Lot in separate ownership. All leases and rentals shall be by written lease agreement, which shall provide that the terms of the lease shall be subject in all respects to the provisions of the Oregon Landlord Tenant Law, this Declaration and the Bylaws of the Association. Failure by the lessee or tenant to comply with the terms of such documents shall be a default under the lease. The Association may require termination of the tenancy in the event of any breach by the tenant. No Owner shall rent all or any portion of their Lot or improvements thereon to be used for a vacation occupancy or transient occupancy by a third party.

Section 3. Occupancy of Temporary and Unfinished Structures. No structure of a temporary character, trailer, recreational vehicle, travel trailer, basement, partly finished house, shack, garage, barn or out-building shall be used on any Lot at any time as a residence either temporarily or permanently. All structures, additions or alterations shall be completed in not more than twelve (12) months from the starting date.

Section 4. Utility Easements. Easements for installation and maintenance of utilities and facilities are reserved as shown on the recorded plat; provided however, that if the actual installation of utilities and facilities should deviate from the recorded plat, an easement for installation and maintenance over and across the property as actually located and installed is reserved. Said property is subject to the terms and provisions of E.W.E.B. underground electric rate agreement as recorded in Lane County, Oregon.

Section 5. Yard Maintenance. Yards and landscaping shall be maintained in a neat, clean condition and grass shall be watered and cut regularly.

Section 6. Animals: Pets. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot, except dogs, cats or other domesticated household pet may be kept, provided the dogs, cats or other domesticated household pets are not kept, bred or maintained for any commercial purpose and do not create objectionable noise or odor and dogs are maintained on a leash when off the owner's property. The number of dogs, cats or other domesticated household pets allowed shall be as established under the Eugene Code.

Section 7. Parking. On-street parking which impairs the safe passage of vehicles is prohibited. All Owners, occupants, guests, agents and invitees shall park their passenger vehicles in the Owners' garage or Driveway, or in the designated parking spaces on the Private Street used by the Owner to access such Owner's Lot. No Lot, Driveway or parking space on a Private Street shall be used as a parking place for automobiles not in regular family use and/or not in good operating condition.

Section 8. Trash. No Lot shall be used as a dumping ground for trash, garbage or other waste. Such trash, garbage or other waste shall not be kept except in sanitary containers emptied weekly. All incinerators, garbage cans or other equipment for the storage of or disposal of such materials shall be kept in a clean and sanitary condition.

Section 9. Storage. Storage of any kind of goods, chattels, merchandise, material, fuel, supplies or machinery shall be within walls of a building, or enclosed by tight fences that completely screen it from sight. Open carports shall not be used for storage other than that enclosed by walls of the structure. Travel trailers, campers, boat trailers and similar vehicles are required to be parked behind the front line of the residence building, and in the case of corner Lots, only on the side of a residence building not facing a street. In no event, shall any of said vehicles be parked in the parking spaces of the Private Streets.

Section 11. Noxious; Offensive Activity. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

Section 12. Fences, Structures and Alterations. No building, fence, structure or alteration shall be erected on any Lot until plans and specifications have been approved by the Architectural Control Committee of Somerset Hills VIII Homeowner's Association. Territorial enclosures, i.e., fencing, plantings, etc., of circular Lots is expressly prohibited, but privacy fences for patios and screening of recreational vehicles, travel trailers, campers, boats and trailers and similar vehicles, or storage of items under Section 9, may be permitted with the approval of the Architectural Control Committee. Animal enclosures may be approved provided they are constructed of woven-wire on treated wooden posts. The Architectural Control Committee shall approve only those structures and alterations which harmonize in material, design, size and elevation with existing or planned buildings.

Section 13. Application of Eugene Code. When these covenants do not cover a situation, the rules and regulations of the City of Eugene shall be applied. In all cases where there are conflicting rules showing a difference in requirements, the stricter of the two is to be used. The decision of the Board of Directors shall govern in determining which rule is the strictest.

ARTICLE XI MISCELLANEOUS PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce all of the covenants, conditions, restrictions, reservations, easements, liens, and charges now or hereinafter imposed by any of the provisions of this Declaration as may appertain specifically to such parties or Owners by any proceeding at law or in equity. The Association shall be entitled to obtain equitable relief, including injunctive relief and specific performance, without showing or proving actual damages, in addition to all other remedies to which the Association may be entitled. Failure by either the Association or by any Owner or mortgagee to enforce any covenant, condition, or restriction herein contained shall in no event be deemed a waiver of their right to do so thereafter. In the event suit or action is commenced to enforce the terms and provisions of this Declaration (including without limitations, for the collection of assessments), the prevailing party shall be entitled to its actual costs incurred including Association staff time and expense, attorney fees, arbitration costs, mediation fees, if any, and costs in such suit or action to be fixed by the trial court, and in the event of an appeal, the cost of the appeal, together with reasonable attorney fees, to be set by the appellate court. In addition thereto, the Association shall be entitled to its reasonable attorney fees and costs incurred in any enforcement activity or to collect delinquent assessments, together with the Association's actual administrative costs, whether or not suit or action is filed.

Section 2. Interest; Fines; Late Fees; Penalties. The Board, in its reasonable discretion and subject to the bylaws, may from time to time adopt resolutions to set the rate of interest and to impose late fees, fines, and penalties on delinquent assessments or for violations of the provisions of this Declaration, the Bylaws, and the Rules and Regulations adopted by the Board or the Architectural Control Committee. The adoption of such impositions shall be communicated to all Owners in writing by a notice mailed to such Owners at the address on file with the Association. Such impositions shall be considered assessments that are lienable and collectible in the same manner as any other assessments under Article V, herein; provided, however, that fines or penalties other than late fees, fines, or interest arising from an Owner's failure to pay Annual, Special, or Limited Assessments may only be imposed against an Owner or such Owner's Lot after written notice and an opportunity for a hearing

Section 3. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 4. Amendment Duration. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds of the Lots has been recorded, agreeing to amend said covenants and restrictions in whole or in part. Any amendment must be recorded. No amendment may change any Lot, nor the share in the common element appurtenant to it, nor increase the owner's share of common expenses, nor change the voting power of any Lot unless such amendment has been approved by the record owner of the Lot and the record owner of liens thereon. No amendment shall abrogate the responsibility of the Association to provide for the maintenance and operation of the Common properties and properties of Lot Owners as herein provided, including levying of assessments required to meet costs and expenses of such operation and maintenance. No amendment shall discriminate against any Lot or class, or group of Lots, unless the record owners so affected shall approve.

Section 5. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the Owners.

Section 6. Right of Mortgagees Relating to Maintenance. At any time that any part of the Common Areas, any other part of the Property with any residence or building or improvement located thereon, is not properly maintained and kept in good order and repair by the Association or otherwise, to the extent reasonably necessary to protect and preserve the appearance and value thereof, and the appearance and value of the remainder of Property, then the record owner of any mortgage or deed of trust upon any part of Property or residence or building thereon, upon giving written notice as hereinafter provided, shall be entitled to exercise the right of the Owner-mortgagor of such property as a member of the Association to vote at all regular and special meetings of the members of the Association, for a period of one (1) year following the date of such notice. During said period of time, such Owner-mortgagors shall be given notice of all regular and special meetings as an observer. Said notice shall quote this paragraph and shall be sent by certified United States mail, return receipt requested, to the Owner-mortgagor, a copy by regular mail to the Association at the last known address of each.

IN WITNESS WHEREOF, the undersigned declares the Owners have duly voted to approve this Restated Declaration of Covenants, Conditions, and Restrictions of Somerset Hills VII Homeowner's Association, and, therefore, hereunto caused these presents to be executed this _____ day of _____, 2020.

SOMERSET HILLS VII HOMEOWNER'S ASSOCIATION:

By: _____
[President]

By: _____
[Secretary]

STATE OF OREGON)
) ss.
County of Lane)

Personally appeared _____, who being sworn, stated that such person is the President of the Association and that this declaration was voluntarily signed on behalf of the Association by authority of its Board of Directors. Before me,

Notary Public for Oregon
My Commission Expires: _____

STATE OF OREGON)
) ss.
County of Lane)

Personally appeared _____, who being sworn, stated that such person is the Secretary of the Association and that this declaration was voluntarily signed on behalf of the Association by authority of its Board of Directors. Before me,

Notary Public for Oregon
My Commission Expires:_____