
**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
ESTABLISHING
OCEANSIDE ESTATES,
A PLANNED COMMUNITY**

OCEANSIDE ESTATES
M. F. Gorski Construction, Inc.
Brookings, Oregon

M. F. Gorski, President

OCEANSIDE ESTATES, being a planned community lying as described in Exhibit A attached hereto and incorporated herein.

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This Declaration is made and executed by M. F. Gorski Construction, Inc., hereinafter referred to as Declarant, as of the date set forth below, and recorded with the recording officer of the County of Curry, State of Oregon, for the purpose of establishing a planned community.

Pursuant to Exhibit F attached hereto and incorporated herein, Howard and Susan Kaylan (hereinafter referred to as Kaylan) join in submitting certain property owned by Kaylan, more particularly described as follows:

A Parcel of land lying within the Northwest Quarter (NW¼) of Section Thirty-six (36), Township Forty (40) South, Range Fourteen (14) West, Willamette Meridian, City of Brookings, Curry County, Oregon, being more particularly described as follows:

Beginning at a point marking the Northwest corner of said section 36;

thence leaving said point South 26° 54' 53" East 1461.40 feet to a 5/8" iron rod lying on the Westerly right of way of Dawson Road said iron rod being the true point of beginning. thence leaving said iron rod and true point and following along said right of way South 49° 30' 00" East 67.45 feet; thence leaving said right of way South 51° 52' 02" West 147.34 feet; thence South 83° 43' 44" West 252.41 feet; thence South 62° 32' 12" West 155.19 feet to a point lying on the vegetation line; thence leaving said point and following along the vegetation line North 01° 20' 25" East 19.95 feet; thence leaving said vegetation line North 63° 46' 21" East 393.31 feet; thence North 68° 05' 49" East 107.70 feet to a point lying on said right of way said point being the true point of beginning.

to all of the terms of this Declaration.

The following is a Declaration for Oceanside Estates, a planned Community. Pursuant to ORS Chapter 94, Oceanside Estates is a "de minimis" planned Community. Much of the Oregon Planned Community Act therefore does not apply. However, the Declarant proposes to use the Act as a general model establishing Covenants, Codes and Restrictions, and creating a Homeowners Association. Declarant is specifically not adopting applicability of ORS 94 chapter to this planned community.

1 - Oceanside Estates Declaration

Recitals

1. The Declarant is fee Owner of certain real property in the City of Brookings, Curry County, Oregon, which is more particularly described on Exhibit A.
2. Declarant proposes to create a subdivision of single-family lots to be known as "Oceanside Estates", developed upon the real property described on Exhibit A (subject property).
3. The Declarant proposes to subject the real property to the following Covenants, Conditions, Restrictions and Easements, including liens for assessments, and to create a non-profit corporation to which will be transferred the Common Property of the Oceanside Estates Planned Community, and to which will be delegated the power and authority to maintain and administer the Common Property and enforce the covenants and restrictions, promote the health, safety and welfare of the Community. The Common Property is described more particularly on the attached Exhibit C.

Now, therefore, Declarant hereby covenants, agrees and declares that all of its interests, as the same may from time to time appear, in the subject property shall be held and conveyed subject to the following covenants, conditions, restrictions and easements which are hereby declared to be for the benefit of the said interests in the subject property, the Owners of said interests, their successors and assigns. These covenants, conditions, restrictions and easements shall run with said interests and shall be binding upon all parties having or acquiring any right or title in said interests or any part thereof, and shall inure to the benefit of each Owner thereof, and are imposed upon each of said interests and all rights and titles therein, as a servitude in favor of each and all other said interests as the dominant tenement or tenements.

ARTICLE I - DEFINITIONS

DEFINITIONS. When used in this declaration the following terms shall have the meaning given below:

Section 1: "Act" means the Oregon Planned Community Act, ORS 94.550 et seq.

Section 2: "Articles of Incorporation" means the Articles of Incorporation filed with the Corporation Commissioner for the State of Oregon for the Oceanside Estates Homeowners Association, Inc.

Section 3: "Assessments" means and refers to each and all of the following:

"Annual Assessment" means a charge against each Owner and his Lot for the amount which is to be paid by each Owner to the Association for Common Expenses.

"Individual Assessment" means a charge against a particular Owner and his Lot, directly attributable to the Owner, to reimburse the Association for costs incurred in bringing the Owner and his Lot into compliance with the provisions of this Declaration, the Articles, Bylaws, or Association Rules, or any other charges designated as an Individual Assessment in this Declaration, the Articles, Bylaws, or Association Rules, together with attorneys' fees and other charges payable by such Owner pursuant to applicable provisions of this Declaration, plus interest thereupon as further provided for in this Declaration. An Individual Assessment may be for charges against a particular Owner or his Lot, or may be, as is provided for herein, for a purpose benefiting all Lots equally and chargeable against all Lots equally.

"Special Assessment" means a special levy or charge applicable, one year at a time, to defray costs of capital improvements on Common Property for which the reserve account is inapplicable or inadequate. Such an assessment shall have the consent of two-thirds (2/3) of the votes of each class of Members.

"Replacement Reserves" means a charge against each Owner and his Lot representing a portion of the cost to the Association of replacement, or anticipated replacement, of Common Property having a useful life of from three (3) to thirty (30) years.

Section 4: "Board of Directors" means the Directors of the Association.

Section 5: "Building Envelope" means that portion of each respective Lot, as designated by the Plat, by which construction of the Living Unit and any associated structures are limited.

Section 6: "Bylaws" means the Bylaws of the Association as adopted as herein provided and as may be from time to time amended.

Section 7: "Committee" means the Design Review Committee established in Article IV, Section 1, of this Declaration.

Section 8: "Common Expenses" means the actual and estimated costs of:

a. Maintenance, management, operation, repair and replacement of the Common Property, to include private streets, pathways and components thereof, and any other areas of the subject property which are maintained by the Association.

b. Maintenance by the Association of areas within any public right-of-way in the vicinity of the Covered Property now or hereafter acquired by any governmental agency to be maintained by the Association.

c. Costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees.

d. Allocations for the purpose of establishing reasonable reserves against future Common Expenses, as deemed appropriate by the Board.

e. Any and all insurance and bond costs incurred by the Association. Bonding of Members of the Board, any professional managing agent, or any other person handling funds of the Association.

f. Taxes paid by the Association, including local real property taxes on Common Property.

g. Amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Property or portions thereof.

h. Replacement Reserves.

i. Any deficits for prior fiscal years.

j. Expenses incurred by the Design Review Committee or other Committees of the Association.

k. Any other item or items designated by the Association as Common Expense or incurred by the Association for any reason whatsoever in connection with the Common Property, this Declaration, the Articles, or the Bylaws of the Association, or in furtherance of the purpose of the Association or in the discharge of any other obligations imposed upon the Association by this Declaration.

l. Charges for utilities serving Common Property.

m. Other items agreed upon as Common Expenses by the Owners.

Section 9: "Common Property" shall mean and refer to real property or interests therein and improvements thereon owned from time to time by the declarant or by the Association for the common use and enjoyment of the Members of the Association, which shall be that certain property as described in Exhibit C attached hereto. Any real property denominated as Common Property in a supplementary Declaration shall be conveyed or leased to the Association upon the first conveyance of a Lot located within the real property which is next to the subject property hereof by such supplementary Declaration. Declarant shall convey or lease the Common Property to the Association free of all liens and encumbrances except current real property taxes (which taxes shall be prorated as of the date of conveyance), title exceptions of record, covenants, conditions, restrictions and easements, including those set forth in this Declaration.

Section 10: "Declarant" means M. F. Gorski Construction, Inc., its successors and assigns. The term Declarant includes the party in title to the real property described in Exhibit A at the time of the recording of the Plat with the Clerk of Curry County, State of Oregon. The term Declarant does not include any Owners who acquire title to individual Lots as a result of a purchase and sale agreement between the Declarant or its successors and assigns.

Section 11: "East Side" means any portion of the subject property or any property annexed thereto located generally east of Dawson Road in the City of Brookings, County of Curry, State of Oregon (also referred to as Oceanside Estates II).

Section 12: "First Mortgage" means a mortgage whose mortgagee has priority over any other mortgages encumbering a specified Lot.

Section 13: "Homeowners Association" means the Oceanside Estates Homeowners Association, Inc., a non-profit corporation, organized under the laws of the State of Oregon, and its successors and assigns.

Section 14: "Living Unit" means any structure or group of structures erected as an improvement on any "Lot."

Section 15: "Lot" means a lot shown on a recorded Plat or tract map or a parcel shown on any recorded parcel map to the extent such lots or parcels are part of the subject property; provided, however, that "Lot" shall not include Common Property.

Section 16: "Member" means any and every person or entity who qualifies for membership in the Association pursuant to the provisions of this Declaration respecting membership, including Declarant so long as Declarant qualifies.

Section 17: "Mortgage" means any duly recorded mortgage or trust deed encumbering a Lot.

Section 18: "Mortgagee" means the beneficial owner of any security interest in real property, such as the grantee of a mortgage, or a beneficiary under any trust deed.

Section 19: "Occupant" means any person entitled to or actually occupying a Living Unit.

Section 20: "Owner" means one or more persons or entities who alone or collectively is or are the record Owner of fee simple title to a Lot, including Declarant, or the buyer under a land sale installment sales contract of a Lot. Owner shall not include, however, anyone having such interest in the property merely as a security for the performance of an obligation by another party.

Section 21: "Plat" means the plat of Oceanside Estates, Phase I, a Planned Community, and any plat of additional property next to the Planned Community.

Section 22: "Turnover Meeting" means the meeting of the Homeowners Association and all its Members at which time, pursuant to this Declaration, the Declarant shall deliver to the Association the following:

1. The original or a photocopy of a recorded Declaration and copies of the Bylaws and Articles of Incorporation of the Planned Community and any supplements and amendments to the Articles or Bylaws.

2. A deed to the Common Property in the Planned Community, unless otherwise provided for in this Declaration.

3. The minute books, including all minutes, and other books and records of the Association and the Board of Directors.

4. All rules and regulations adopted by the Declarant or the Homeowners Association.

5. Resignation of officers and Members of the Board of Directors who are required to resign because of the expiration of any period of Declarant control.

6. A report of the present financial position of the Association.

7. All funds of the Association and control of the funds.

8. Records of all property tax payments for the Common Property to be administered by the Association.

9. Copies of any income tax returns filed by the Declarant in the name of the Association.

10. All bank signature cards.

11. Any reserve accounts established in the name of the Association.

12. An operating budget for the portion of the Planned Community turned over to the Association administration.

13. Insurance policies of the Association.

14. A roster of Owners and their addresses and telephone numbers, if known, as shown on the records of the Declarant.

15. Any contracts to which the Homeowners Association is a party.

Section 23: "West Side" means any portion of the subject property or any property annexed thereto located generally west of Dawson Road in the City of Brookings, County of Curry, State of Oregon (also referred to as Oceanside Estates I).

ARTICLE II - NAME AND LOCATION

The Community name is "Oceanside Estates". The Community is located in the City of Brookings, Curry County, Oregon.

ARTICLE III - GENERAL DEVELOPMENT PLAN

Section 1. Phased Development

Declarant proposes a phased development, following in general concept the approved Preliminary Plat (Exhibit B) as follows:

- A Lots - Phase 1
- B Lots - Phase 2
- C Lots - Phase 3
- D Lots - Phase 4

As each phase is developed, Declarant will record a final Plat of that phase, and may record a supplemental declaration.

Section 2. Number of Lots

Declarant proposes a development of approximately 34 Lots as follows:

- A. Lots Phase 1 - Lots 1 through 8 and 13, and 14
- B. Lots Phase 2 - Lots 16 through 20
- C. Lots Phase 3 - Lots 26 through 36
- D. Lots Phase 4 - Lots 9 through 12 and 15

Section 3. Allocation of Votes and Common Expenses

As additional Lots are created and annexed to the Community, the Owners will become Members of the Homeowners Association, and be entitled to vote.

As additional Lots are created and annexed to the Community, Owners shall be subject to assessments of the Homeowners Association. Declarant may defer commencement of annual assessment on all Lots so long as Declarant pays all Common Expenses until annual assessments are commenced. When annual assessments are commenced, the Owners of the Lot shall pay a prorated portion of the then-existing annual and special assessments.

Section 4. Common Property

As each phase of the Community is annexed, the Plat(s) shall depict and the supplemental declarations will describe the tracts, if any, which are transferred to the Association as Common Property. These are the private street (East Side) and the north and south private drive (West Side). The final platting of Phase I will result in the creating a slope easement and pedestrian easement for the beach access pathway, and the maintenance responsibilities for same. There is no limitation on Declarant's right to annex Common Property and there is no obligation imposed on Declarant to annex any Common Property or any additional Lots or phases beyond Phase I.

Section 5. Combination or Withdrawal of Lots

Declarant reserves the right to either withdraw one or more of the Lots or combine one or more of the Lots on the attached Preliminary Plat map (Exhibit B). When each Lot is withdrawn or merged with another lot, the vote attributable to such Lot shall cease to exist, thereby reducing the total number of votes in the Community. The withdrawn or merged Lot shall not be subject to assessment in any subsequent fiscal year. Declarant's right to withdraw any particular Lot shall only expire at such time as such Lot has been improved with a Living Unit. In the event that any Lot is withdrawn

under this section by the Declarant such Lot, and the Owner thereof, shall not thereby lose or forfeit any easements, rights of access, rights of utilities, or other property rights appurtenant to said Lot at the time of any withdrawal.

Section 6. Declarant's Rights Following Turnover Meeting

If Declarant has not completed development of Lots or Common Property at the time of the Turnover Meeting, Declarant shall continue to hold the special Declarant rights under this Declaration until development of all Lots and Common Property which Declarant may create and annex has been completed.

ARTICLE IV - ARCHITECTURAL CONTROL

Section 1. Design Review

The Board shall appoint a Design Review Committee ("Committee") consisting of a maximum of three Members. The decision by the majority of the Committee shall be a decision of the Committee. A majority of the Committee may designate a representative Member to act for the Committee. The Board may remove and replace any Member of the Committee at any time, with or without cause.

Section 2. Committee Approval Required

No Living Unit, building, structure, fence, wall, patio, deck, pool, spa, heat pump, security lighting, additional parking, antenna, awning, screen, trellis or other structural improvement or fixture shall be commenced, installed or erected in the Community, nor shall any exterior addition to or change or alteration therein be made to existing structures, improvements or fixtures or any clearing, tree and brush trimming or removal, grading or landscaping of any portion of the Community be commenced until the plans have been submitted to and approved in writing by the Committee. The Committee may require the Owner to confirm in writing to the Association that the Owner and/or contractor have reviewed revisions of this article, and agree to comply with such provisions in designing and constructing proposed improvement. As a condition for approval, Owner shall certify that all improvements shall be made in conformance with the plans as submitted to the Committee.

Any subsequent remodeling, addition, alterations or further development, including but not limited to painting, change in landscaping, color scheme, and/or roof color shall be submitted to the Committee for review in the same manner as for initial development.

Section 3. Submission of Required Plans

For construction or alteration or any improvements, two (2) sets of plans and specifications, drawn to scale, showing the nature, kind, shape, color, size, materials, and location of such improvements, alterations, etc., shall be submitted to the Committee for review and approval prior to submittal for City of Brookings, building permit, and prior to commencing construction. Said plans and specifications shall include the location of all improvements, if any, existing upon the lot, the location of all improvements proposed to be constructed, the existing and finished grade including building pad elevations and proposed finish floor elevations, building height, the color and composition of all exterior materials to be used, proposed landscaping to be introduced or existing vegetation to be removed, and any other information which the Committee may require, including soil, engineering, and geologic reports and recommendations. Said plans and specifications shall include the boundaries of the lot, the location of the Building Envelope, and the location of and identification of all the material to be used in the driveway, and private streets and drives as shown on the approved preliminary Plat.

For initial landscaping or major re-landscaping (including re-contouring of the lot, removal, clearing or trimming existing vegetation, and placement of large rocks and boulders), two (2) sets of plans and specifications showing the existing and proposed contours of the lot, showing the nature, kind, shape and location of the materials proposed for removal or placement shall be submitted to the Committee for review and approval prior to commencing construction. All landscaping plans shall include a minimum of two (2) 2" diameter non-evergreen trees in the front yards, planted and kept trim so as to minimize interference with any ocean view. All sides of any proposed structure which are visible from any street or roadway shall be landscaped with a foundation planting of bushes and shrubs.

Submitted plans shall include provisions for drainage, location and size of utility meter bases, air conditioners/heat pump, and other utilities. All submitted plans must include cross-sections, mechanical drawings, and Lot grade and drainage plans. Owner must certify compliance of the complete home with the submitted drawings prior to final approval.

Any additions or changes to the plans approved by the Committee must be resubmitted for re-approval.

Section 4. General Design Criteria

In general the quality of workmanship and design of improvements and landscaping should be consistent with the external design and location of existing structures, the topography of the lot, and the character and appearance of the Community. The size, shape, location, design, color and materials of Unit No. 1 shall not be utilized to establish design parameters for subsequent home development. General design criteria shall be left to the sole, complete, and unfettered discretion of the Committee.

Section 5. Specific Design Criteria

A. **Single-family Living Units; attached garages.** Only single-family Living Units are permitted on any lot. No multiple family residential buildings or zero lot line development is permitted. For purposes of this Declaration the term single family and/or multiple family shall have the same meaning as assigned to those terms by the zoning ordinance in effect at the time of the recording of this Declaration in the City of Brookings, County of Curry, State of Oregon, applicable to the subject property. No detached structures shall be permitted without Committee approval after due consideration to special architectural factors necessary for the best utilization of the building lot.

Each West Side Living Unit shall have a minimum of one thousand eight hundred (1,800) square feet of living area, with a minimum of one thousand (1,000) square feet for the first floor in the case of a two-story structure, and with garages attached to the residential unit and a minimum of a two-car garage. Each East Side unit shall have a minimum of one thousand six hundred (1,600) square feet of living area with a minimum of one thousand (1,000) square feet for the first floor in the case of a two-story home (any below grade area, e.g., basement or daylight basement, shall not be considered a first floor area for the purposes of area determination for the East Side Units), and with a minimum of a two-car attached garage. Each East Side Living Unit shall have a maximum ground coverage area (inclusive of roof, enclosed terraces, garages and any other attached structures) of no more than 85% of the Building Envelope area. All homes must have a paved driveway. The West Side units will be required to have an asphalt driveway and the East Side Units will be required to have a concrete driveway. All plans to include location of mail boxes which are to be of a uniform type and approved by the Committee. All garages to have overhead type doors with garage door openers installed. All drawings of fences, decks and walls to show materials and height. Notwithstanding any of the above or below herein to the contrary, the existing structure located on Lot 1 shall not be required to make any architectural or structural changes to the main dwelling

of Lot 1 in order to conform with the architectural provisions of this Declaration. However, Lot 1 shall be subject to the remainder of the terms and conditions contained in this Declaration, other than as specifically excepted hereinabove.

B. Building height. In Oceanside Estates I, homes built upon Lots 7 and 13 shall be limited in building height to a one (1) story structure (above grade) with a roof pitch of no greater than "6/12". In Oceanside Estates II, homes built upon Lots 17, 18, 19, 20, 21, 22, 23, 24, and 25 shall be limited in building height to a one (1) story structure (above grade) with a roof pitch of no greater than "6/12". Homes built upon the other lots in Oceanside Estates I and II may be single or multi-story, in accordance with local building codes. Subsequent remodels, additions, rebuildings and alterations must conform to these same conditions and restrictions as set out in this Declaration.

C. Fences; hedges. No fence or wall is allowed on any Lot other than in the side yards and rear yards within the Building Envelopes. All property lines are to be kept free of fences and are to be maintained in natural vegetation and planting. Except for existing trees, no hedge planting or fence is to exceed six (6) feet in height. Landscaping, fences, decks, and the like, shall not adversely affect views of the ocean of other properties. The design and placement of any fence or hedge will be subject to Design Review Committee approval prior to construction, which may be based on aesthetic considerations of the Committee.

D. Alteration of natural/developed land form. Structures are to be designed to conform to natural or developed land forms, as established by the Declarant. Particular care will be made not to adversely affect views and drainage of other properties in the Community.

E. Materials. All structures are to be "stick-built," in place. There are to be no prefabricated, panelized, manufactured, modular or mobile home units, or "log" type homes. The exteriors of all buildings are to be wood or masonry (other than concrete block). There are to be no metal, vinyl, masonite or similar man-made sidings on any buildings. Roof materials and colors are to be specified at time of plan submission to the Design Review Committee. (With regard to Lots 16 through 36, at the time of construction of the residence on these Lots, the Lot Owners will be required to construct sidewalks at the designated locations on the aforesaid Lots consistent with City of Brookings specifications for sidewalks. The Association shall enforce this provision and all remedies available in this Declaration, including construction of the sidewalks and assessment of all costs of construction against the respective Lot as provided by this Declaration.

F. Setbacks. All side yard, front yard, and back yard setbacks shall be according to the Building Envelope described for each lot, as per Exhibit B, Preliminary Plat. No building structure or eave or projection from a building is to extend past the Building Envelope without special approval as a variance pursuant to the provisions of this Declaration. Driveways and walkways may extend past the Building Envelope.

G. Lighting. All residences on Lots are to provide dusk-to-dawn front yard lights. Yard lights to be on separate posts, from five (5) feet to six (6) feet in height. Any and all security lighting must have Design Review Committee approval whenever installed. The Design Review Committee shall specify the design of all outside lighting and lighting posts on Lots.

H. Geology Reports. Lots 16 through 36 shall conform to the general findings of the Declarant's preliminary geology report, H.G. Schlicker and Associates, Exhibit D.

Lots 1 through 8, 13 and 14 shall conform to the Building Envelope bluff side setback, which line is to be coterminous with the top-of-the-bluff low hazard line established by the Declarant's geology report, H.G. Schlicker and Associates. A separate report by an engineering geologist and civil engineer shall be required from each homeowner prior to submittal of home plans for review determining the actual location of the house, footings, retaining walls, etc., and shall state that the home can be so placed and constructed in a manner not to hazard any adjoining properties, or the stability of the bluff.

Lots 9 through 13 and 15 shall have an independent geology report performed for both the Lot and the access driveways. The Design Committee may require drilling and/or test pits as part of the geology report. This report to be submitted to the Design Review Committee together with a civil engineer's report, duly licensed, showing in detail the house foundations, anchoring, retaining walls, drives and utility extensions. The report shall state that the home can be so placed and constructed in a manner not to be a hazard to any adjoining properties, or the stability of the bluff. The Committee may require an additional report from a mutually acceptable engineering geologist and civil engineer.

I. Utilities and sewer. All utilities shall be placed underground and connection of the utilities to the Lot improvements is to be made by the Owner of each Lot. Homes built upon Lots 7, 8, 9, 10, 11, 12, 13, and 15 will require an individual grinder pump/lift station to be built into the private plumbing systems of these homes. These grinder pump/lift stations are to be constructed in accordance with state, local and D.E.Q. codes and

privately maintained by the individual home owners.

J. Radio and television antenna. No external antennas, satellite dish or related equipment, towers, poles or any similar structure to be installed without Committee approval. In reviewing radio and television antenna design and placement, the Committee shall consider view protection of other Owners, aesthetic considerations, uniformity of appearance, and possible wind storm damage and liability resulting therefrom.

K. Tanks and meters. No storage tanks can be installed outside any structure, other than a tank for the storage of heating fuels only. Any such tank must have Committee approval and must be buried underground.

L. Drainage. Homeowners to maintain any surface drainage ditches, swales, and surface drainage easements on homeowner's lot, except for main storm drainage system shown on the Utility Plan, Exhibit E. Owners of Lots 2, 3, 4, 5, 6, 7, 8, 13, and 14 will connect the roof and gutter drainage from their homes to the Main Storm Drainage System for the project by way of the inlet pipes stubbed on each Lot.

M. Indemnification. All Lot Owners will indemnify all other Lot Owners and the Association for any damages or injuries occurring to any street, utilities, curbs, sidewalks, common areas, real or personal property, or bodily injury to persons occurring during the construction of a home or any improvement on said lot, whether caused by the Lot Owner, their builder, subcontractor, material man or delivery persons, or their agents, servants, employees or invitees.

Section 6. Rules and Procedures

The Design Review Committee may adopt written rules, regulations and procedures. These rules, regulations and procedures shall be contained in a document titled "Design Guidelines on Construction and Regulations" ("Design Guidelines").

Section 7. Additional Design Criteria

The Committee, with the concurrence of the Board, may adopt, amend, modify or revise additional design criteria. Additional design criteria shall not affect structures, improvements or landscaping with approval prior to adoption.

Section 8. Variances and Waivers

The Committee may grant variances or waivers to the design criteria

contained in this Article, where such variance will provide for the best utilization of the Lot pursuant to the complete discretion of the Committee.

Section 9. Committee Approval and Enforcement

The Design Review Committee is to review and approve or reject the plans in writing. Such written approval or rejection shall be placed in the U. S. mail addressed to the Lot Owner within sixty (60) days of receipt of the plans. Either the Design Review Committee or the Board will be entitled to enforce the provisions of this Article relating to architectural control. After fifteen (15) days written notice to the affected party, the Committee or the Board may enforce these provisions in any Court of law or equity that has proper jurisdiction. Specifically, the Committee or Board will be entitled to enforce these provisions through any and all legal remedies available, of which all remedies are cumulative, including affirmative or negative injunction against the affected party. Any and all costs and interest associated with the enforcement of this Article, including reasonable attorneys' fees at trial and on appeal, may be assessed against the affected Lot as a Special Assessment.

Section 10. Grounds for Disapproval

Committee may disapprove any application if such application does not comply with the guidelines contained in this Declaration, is incomplete, the reasonable dissatisfaction of the Committee with the submittal, or for any reason which reason or reasons shall be totally at the discretion of the Committee. All Committee decisions on matters submitted to them are final and non-appealable.

Section 11. Certificate of Compliance

The Committee may require an Owner to deliver certification from a licensed surveyor that any improvement does not violate the Building Envelope, setback rule, local ordinances, easement, right-of-way, building height restrictions, or other encroachments.

Section 12. Security Deposit and Administrative Fee

Committee may require a reasonable filing fee for plans review. Committee may require a security deposit or bond, to be deposited with the Board, prior to final approval of plans to ensure completion of the project in a timely manner and in accord with the Declaration and the approval. The deposit is to be returned to the Owner upon satisfactory completion of the project.

Section 13. Liability

Neither the Committee, the Board or the Association shall be liable in any way for any defects in plans or specifications submitted to the Committee for review by any Lot Owner, nor for any defects in construction workmanship or material or any improvement constructed, or for any non-compliance with local governmental regulations. Each individual Lot Owner will indemnify and hold harmless the Committee, the Board and the Association for such defects or non-compliance.

Section 14. Arbitration

- a. **Controversy subject to arbitration.** At the election of the Declarant, any dispute or controversy arising between a Lot Owner, Design Review Committee, the Declarant, themselves and/or others shall be submitted to arbitration as herein provided. Any Lot Owner accepting conveyance of a Lot by deed or land sale contract shall be deemed to have agreed to and be subject to the provisions of these CC&R's in general and this section in particular.
- b. **Manner of submission.** Any dispute or controversy as specified above shall be submitted to arbitration upon the demand of any party to such dispute or controversy. The demand for arbitration shall be in writing and shall be filed with a representative of the Design Review Committee and shall be executed by the party demanding such arbitration. The Design Review Committee shall then notify such other party or parties to the dispute that arbitration has been requested and call on the other party or parties to execute the demand or submission to arbitration. All demands and submissions to arbitration shall contain a concise statement of the matter in controversy in sufficiently comprehensive form to express the nature of the controversy and the issues submitted for decision. The demand for submission to arbitration shall be duly executed and acknowledged by all parties to the dispute or controversy before a Notary Public or other official authorized to take acknowledgements of deeds. The failure of one or more parties to duly execute the aforesaid demand for and submission to arbitration shall not affect the validity of the demand for arbitration or the applicability of this section.
- c. **Selection of arbitrators; effect of decision.** Within five days after the filing of the executed demand for and submission to arbitration, each party to the dispute shall appoint an arbitrator. The selection of arbitrators shall be filed with the Design Review Committee and served on the other parties to the controversy. In no case shall more than two

arbitrators be selected by parties to the dispute. If there are more than two parties to the dispute, two adverse sides shall be selected to the dispute by the Design Review Committee and each side shall select one arbitrator. When two arbitrators have been appointed as provided for above, they shall, if possible, agree on a third arbitrator and shall appoint him or her by written notice signed by both of them and a copy mailed to each party to the dispute. On appointment of three arbitrators, as provided for above, such arbitrators shall hold an arbitration hearing in Brookings, Oregon, no later than thirty days after such appointments. At the hearing, the laws of evidence of the State of Oregon shall apply, and the three arbitrators shall allow each party to present that party's case, evidence and witnesses, if any, in the presence of the other party and shall render their award, including a provision for payment of costs and expenses of arbitration, including attorney fees, to be paid for by any party to the arbitration who does not prevail. The award of the majority of the arbitrators shall be binding on the parties to the dispute and judgment may be entered on such award in any Court having jurisdiction.

ARTICLE V - USE RESTRICTIONS AND OBLIGATIONS

Section 1. Use of Lot

All Lots are to be used for single-family detached residential use only. There shall be no attached common wall units, duplexes, or zero lot line units permitted. All Lots are to be occupied and used only for residential purposes by Owners, tenants, and social guests. There shall be no trade or commercial activity conducted thereon, except only that executive or professional office use by the Owner that does not interfere with other Owners quiet enjoyment of their property may be permitted where no clients or customers will call at the residence, and where no sign is to be permitted on the residence. There shall not be permitted any group care facilities, tents, shacks, trailers, campers, recreational vehicles, outbuilding or structure of a temporary character, used on any Lot as a dwelling, either temporarily or permanently. There shall be no overnight camping permitted on any Lot. All construction trash and scrap must be kept in a closed container during the period of construction.

Section 2. Design Review Committee Approval

No Living Unit to be occupied or lived in until the exterior is completed in compliance with Committee approval and a certificate of occupancy issued by the City of Brookings.

Section 3. Commencement/Completion of Construction

Construction or improvements must be commenced within six (6) months of the approval of the plans by the Committee, or will be invalid. Completion shall include concrete and asphalt work, drives, sidewalks, decks, and landscaping. Construction period shall not exceed six months unless extended by the Committee in writing.

Any improvement that is not completed within six months after commencement, or if construction activity on an improvement ceases for a period of thirty (30) consecutive days, or if any improvement or construction which has been partially or totally destroyed and not rebuilt within six (6) months may be deemed a nuisance. The Board may require an Owner to remove any nuisance designated so by the Board, or may complete the improvement and assess the Owner the cost of completion or cost of removal. The cost assessed shall be the actual cost of removal, completion, or other cost to remedy the situation, including any overhead and/or builders' profit and interest, including any additional costs that are assessable under this Declaration.

It shall be the responsibility of each Lot Owner to insure that the streets and sidewalks in front of each home are kept clean during and after the period of construction of the home, that no mud, dirt or other debris is allowed to accumulate in the storm drains, drainage ditches, and swales. Any such accumulation is to be immediately cleaned up. No construction materials may be stored on any Lot prior to construction or after the approved construction is complete. No home may be occupied until the construction is completely finished and a certificate of occupancy is issued by the City of Brookings.

Section 4. Nuisances

No noxious, illegal or offensive activities are to be carried on upon any Lot or any part of the Community. Outdoor burning of any trash is prohibited. Any Lots not kept regularly mowed and/or free of trash may be deemed a nuisance and the cost of mowing or cleaning such Lot may be assessed to the Owner. No vehicles, boats, or recreational vehicle buildings materials may be stored on any Lot. No dogs shall be allowed to run loose. Dogs that bark regularly or habitually and vicious dogs are prohibited. No animals other than domestic pets will be allowed to be kept by any Owner of any Lot. Any act or series of acts which become a serious annoyance, nuisance, hazard or which interferes with the quiet enjoyment of each and any Lot Owner of his Lot is hereby prohibited.

Section 5. Parking, Vehicle Restrictions and Towing

Each residence shall have a minimum two-car garage. All Lot Owners' vehicles are to be parked in the garage. The garage is not to be used for non-residential storage or as a dwelling space. All garage doors are to be kept closed except for loading and unloading. Any boats and recreational vehicles must be stored in a building on the Owner's Lot, or stored off-site. Boats and recreational vehicles belonging to Owner's and guests of Owners may not remain on-site outside a garage for longer than seven (7) consecutive days at any one period, or fourteen (14) days in any one calendar year. No commercial vehicle or truck may be parked on any Lot other than in the driveway and only on a temporary basis for loading, unloading or servicing the home or grounds. No vehicle or equipment of any kind may be parked on any private street or on Dawson Road. No noisy, smoky or off-road vehicles are to be operated on or within the Community at any time.

The Board may cause the removal of any vehicle which is abandoned or parked in contravention of any of the provisions of this Declaration. The Board may cause such removal by having a tow service remove the offending vehicle. Such costs and removal will be an assessment against the Lot Owner or Occupant causing the vehicle to be so parked or abandoned. The Board and the Association will not be liable for any damages incurred in any vehicle removal. At no time shall there be any visible automotive repairs being conducted on any Lot. At no time shall there be any obstruction placed on any private streets within the Community. The speed limit for all private drives shall be ten (10) miles per hour.

Section 6. Signs

No exterior signs of any kind permitted, except a "For Sale" sign, and a reasonable number of job identification signs during construction only. The Committee may determine the number, size and location of these signs. Permanent Owner, name and address signs, not to exceed 1.5 square feet in area, with the sign, its material, color, design and location approved by the Committee. No signs may be displayed in the Common Property without Board approval.

Section 7. Animals

There shall be no breeding or keeping of any animals for commercial purposes. Owners may have and keep a reasonable number of usual and ordinary household and domestic pets such as dogs and cats. No other animals or livestock shall be permitted. All pets are to be kept under reasonable control at all times. No pets are allowed on

the Common Property, on unfenced portions of Owner's Lot, or upon public street frontage, unless on a leash accompanied by Owner. The Board may cause any unleashed dog within the Common Property to be removed to a pound or animal shelter. The Owner of a pet shall clean up any mess left by their pets in the Common Property or on adjoining Owners' properties. The installation of any animal pen, run or shelter shall be approved by the Architectural Control Committee pursuant to the provisions of Article IV. Any Owner of a pet is responsible for any damage caused by their pets, the pets of their tenants, and the pets of their guests.

Section 8. Garbage and Refuse Disposal

All rubbish, trash and garbage is to be regularly removed from Lots and not allowed to accumulate. Trash, garbage and waste is to be kept in closed sanitary containers. Outside trash burning is not allowed. The Board may specify the type, form and color of trash containers. All trash receptacles are to be kept in clean and sanitary condition, and screened from view of neighboring Lots, Common Property and streets. Garbage screening is to match color and materials of the Living Unit exterior. No toxic or hazardous materials are to be disposed of within the Community.

Section 9. Right to Lease

A Lot Owner may lease a Living Unit. All leases are subject to provisions of the Declaration, the Bylaws, and all rules and regulations adopted by the Design Review Committee and the Board. The Board may adopt a common lease agreement to be used by all Lot Owners. Among other provisions, the common lease may require the Owner to assign certain rights to the Board, including the right to evict such tenant for violation of the terms of the lease, the Declaration, the Bylaws, or the rules and regulations. All Owners who lease their Living Unit must notify the Board in writing of the names and addresses of all tenants, and the address and telephone number where the Owner may be reached. All leases must have a minimum lease period of ninety (90) consecutive days. The Board may require the Owner to evict the tenant, at the expense of the Owner, should the tenant or Occupant fail to comply with the Declaration, the Bylaws, and adopted rules and regulations. The Board may impose reasonable fees on Owners who rent Living Units for periods of less than one year. The Board may require a security deposit to be posted with the Association by Owners who rent or lease for less than one year. The Owner will indemnify the Board, the Association, and all other Lot Owners from any damage or injury caused by a tenant who leases the owner's Living Unit.

Section 10. Outside Laundering

There shall be no outside laundering and no outside drying of laundry visible from other Lots, Common Property, or public or private streets.

Section 11. Other Use Restrictions

Swimming pools, spas, hot tubs, fountains, large statuaries, and the like require Committee approval for design and placement. Use of any Common Property, including but not limited to paths and beach access, by the Owners, their guests, tenants or invitees, is solely at the risk of such Owners, their guests, tenants or invitees, and any Owner, guest, tenant, or invitee who uses such Common Property shall hold the other Owners and Declarant harmless from any injury sustained by the Owner, guest, tenant, or invitee, sustained as a result of the use of such Common Property.

Section 12. Owner's Obligation to Maintain and Repair Improvements

Owners are to maintain exterior of all structures and improvements in good and sanitary condition and in good repair. Owners shall maintain their Lot free of debris and unsightly objects. All materials, equipment and other objects, including fire wood stored on the Lot, are to be stored within a building, except during the course of construction. Committee to determine standards of maintenance and to determine if Owner's Lot meets these standards. Board may cause the Lot to be brought into compliance following thirty (30) days written notice to the Owner and assess the actual cost to the Owner.

Section 13. Owner's Obligation to Maintain Landscaping

Owners are to maintain landscaping on all unimproved areas of the Lot in good condition, including trimming, mowing, watering, replacing dead or diseased vegetation, and other action referenced in the improved landscaping plan, including maintenance of proper and natural drainage and established surface drainage easements. All Owners shall maintain landscaping to minimize fire hazards. Any landscaping and trees which die due to disease, fire, storms or other causes, are to be replaced by a like kind tree or shrub of the same type and size, except that large trees may be replaced with similar fast growing types of a smaller size tree. No new trees or shrubs to be planted or placed on the Lot which obstruct or substantially diminish the view of the ocean from any other Living Unit, deck or patio, or Building Envelope. The opinion of the Design Review Committee shall be final on such placement. The Board may cause the Lot to be brought into compliance after thirty (30) days written notice to the Owner and the Board may assess the

actual cost to the Owner for such compliance. The Owner of Lot 1 shall maintain landscaping, shrubs, trees, and vegetation so that the landscaping, shrubs, trees, and/or vegetation shall not extend above the height of the Living Unit nor beyond the boundaries of the lot lines of Lot 1.

Section 14. Additional Rules and Regulations

Board may adopt, modify or revoke rules and regulations governing the conduct of persons in the operation and use of the Lots and Common Property. A copy of the rules and regulations is to be delivered by the Secretary promptly to each Owner upon adoption or revision.

Section 15. Combining and Subdividing Lots

An Owner of two adjacent Lots may combine the two Lots into one Lot after obtaining the approval of the Design Review Committee. No lot line adjustment can be made without approval of the Design Review Committee. If the Owner constructs a Living Unit or other structure on the newly-created Lot outside the setback areas and Building Envelopes of the original Lots, the newly-created Lot cannot be divided back into its component parts until all structures and improvements have been removed. At any time two adjacent Lots are combined pursuant to this section, the owner of the combined Lots shall not have more than one driveway accessing the two Lots. The siting of the driveway shall also be subject to review and approval of the Design Review Committee. No Lot other than such a combined Lot can ever be subdivided. An Owner who combines Lots shall continue to vote and pay assessments attributable to one Lot only.

ARTICLE VI - COMMON PROPERTY

Section 1. Common Property Tracts

Common Property tracts shall be shown on the Plat of each phase as each phase is completed and/or annexed. The Declarant is under no obligation to improve the Common Property tracts other than streets and utilities required for improvement as development conditions by the City of Brookings. Declarant may improve such tracts with recreational facilities, pathways, or landscaping.

Section 2. Conveyance to the Association

The Declarant shall convey the Common Property to the Association no later than the Turnover Meeting. Any common area so conveyed is to be free of debt and encumbrances at the time of such conveyance. Prior to the conveyance at the Turnover Meeting, the Declarant is to be responsible for maintenance of the Common Property. After the

conveyance to the Association, the Association will assume all responsibilities for the operation and maintenance of the Common Property.

Section 3. Mortgage or Conveyance of Common Property

After conveyance to the Association, Common Property cannot be mortgaged or conveyed or subjected to a security interest without the affirmative vote of eighty percent (80%) of each class of Members. The proceeds of any sale of Common Property are to be treated as an asset of the Association. No such sale, transfer and/or encumbrance is to deprive any Lot of its right to vehicular or utility access without the consent of the affected Lot Owner.

Section 4. Condemnation of Common Property

After conveyance to the Association, the Board has sole authority to negotiate with any public or private body having power of eminent domain.

Section 5. Use and Maintenance of Common Property

No storage, signs, camping, fires or animals not on leash permitted on the Common Property. The Board may establish rules and regulations for use of Common Property pedestrian easement and the Open Space Restricted Use Area (OSRUA) maintenance easement areas. The Association shall maintain Common Property, OSRUA areas and pedestrian easement area to the same standards of maintenance required for Owner Lots. See Article V, Sections 12 and 13.

Section 6. Liability of Owners for Damage to Common Property

Owners are liable to the Association for all damage to the Common Property, including pedestrian easement and OSRUA areas, by Owners, or Owners' agents, Occupants, invitees, tenants or pets.

ARTICLE VII - EASEMENTS

Section 1. Declarant's Rights and Easements

Notwithstanding any provision of the Declaration to the contrary, Declarant shall have the following special rights and easements until all phases of the Community have been platted and submitted, and until the following two events have occurred: (a) All Lots owned by the Declarant in all phases have been sold or conveyed; and (b) all Common Property depicted on all phases has been conveyed by Declarant to the Association.

- a. **Sales office and models.** Declarant to have the sole right to establish a sales office and model unit on one or more of the Lots or Living Units.
- b. **"For sale" signs.** The Declarant may maintain a reasonable number of "For Sale," signs at reasonable locations in the Community.
- c. **Declarant's easement.** Declarant reserves an easement over the Common Property and over public and private easements for all reasonable purposes related to improvement or maintenance of any Common Property and project infrastructure, and the construction of units on any and all Lots owned by the Declarant.

Section 2. Utility and Drainage Easements

Utility and drainage easements, as designated on the Plat, are to exist upon, across, over, through and under Lots and Common Property for ingress, egress, installation, replacement, repair and maintenance of all utility and service lines and easements. The utility easements include installation, maintenance and excavation, on the condition and providing that each person or entity who installs, maintains or excavates, restores the disturbed area to the condition in which it was found prior to the work. The Homeowners Association will maintain all drainage easements shown on the utility plan attached as Exhibit E and incorporated herein.

Section 3. Easements

The following easements are shown on the Final Plat, and the purpose and use of these easements and the Association responsibility therefor are described as follows:

- a. **North Private Drive and South Private Drive Access and Utility Easements.** The North Private Drive and the South Private Drive are Common Property owned by the Association (see definition of Common Property, Article I). These common ownership areas are described in the Final Plat. Lots 6, 7, 8, 9, 10 and 14 to have access easements over North Private Drive as reasonably necessary for access to each Owner's Lot, and Lots 11, 12, 13 and 15 to have access easements over the South Private Drive as reasonably necessary for access to each Owner's Lot. The City of Brookings is to have utility easements for water line and sanitary sewer line over the North and South Private Drive property; the water line and sanitary sewer line shall be dedicated to the City, and maintained by the City. The Association shall have the responsibility for maintaining the North and South Private

Drives' common properties, and shall maintain a reserve account for that purpose (see Article XI). Notwithstanding the location of the North Private Drive and the South Private Drive as shown on the final plat, the location of the North Private Drive and the South Private Drive west of the line demarcating the commencement of the open space restricted use area will not have their final location established until the development of Phase IV (which phase includes Lots 9, 10, 11, 12, and 15). Adjustments to the final location of said drives may be necessary due to the actual location of the aforesaid Lots and to geological and other factors encountered during the development of the aforesaid Lots. The Declarant retains the right to make adjustments to the final location of the aforesaid private drives west of the demarcating line for the Open Space Restricted Use Area without obtaining the consent of any Lot Owners and without obtaining an amendment to this Declaration or the final plat under Article XV or any other procedure for amendment of the Declaration or the final plat. It is the intention of this Declaration that the final placements of the aforesaid private drives shall be subject to the discretion of the Declarant, without any limitation by the Lot Owners, the Association, or any other entity, individual or organization.

- b. **Storm Drainage Facility and Storm Water Easements.** The Oceanside Estates storm drainage facility replaces a natural drainage way across the northeast corner of Oceanside Estates. This drainage way is fed from an area to the east of Dawson Road via an existing CMP beneath Dawson Road and an existing natural drainage way across Tax Lot 4500, Assessor Map page 40-14-36BB. The area served by this drainage is defined in the Project Engineer's storm drainage study. The final Plat shows a continuing easement for this storm drainage flow within the storm drainage facility easement.

The storm drainage facilities include the storm drainage line, storm drain manholes, outlet facility, curtain drain at Dawson Road and other storm drainage facilities. Inside the North Private Drive, and within the public right-of-way of Dawson Road, the storm drainage facilities shall be dedicated to the City, and maintained by the City. Outside of the North Private Drive, the storm drainage facilities are Common Property of the Association, and the association has full maintenance responsibility for these facilities. For purposes of location, installation and construction, maintenance and replacement of the storm drainage lines and facilities, a specific pipeline easement is shown outside the Final Plat between the North Private Drive common area, and a storm drainage easement is shown on the Open Space Restricted Use

Area as well. The Homeowners Association shall maintain a reserve account for the purpose of maintaining these facilities (see Article XI).

- c. **Open Space Restricted Use Area Easement.** The Open Space Restricted Use Area is identified by metes and bounds on the Final Plat. Within this area and outside any Building Envelopes located within this area, there is hereby created a Restrictive Easement restricting the activities of the Owners and others within this area. The purpose of this easement is to maintain slope stability, existing vegetation, and a permanent open space. Within the Open Space Restricted Use Area, no Owner may divide property, construct or place any buildings or any structure, remove or alter any existing vegetation, or install any new vegetation. Pedestrian and vehicular access across the area for any purpose is strictly prohibited, except for pedestrian access for and to designated ocean, beach access and pathways. This area's sole use is dedicated to the preservation of open space, view, and maintenance of slope stability. The Association has responsibility for maintenance of slope stability, maintenance of existing vegetation, repair of any slope failure (including soil placement or removal. Placement of riprap, retaining structures or drainage structures, and placement of any new vegetation or removal of any damaged or diseased vegetation). An Affirmative Easement for the benefit of the Association is created within the Open Space Restricted Use Area for these purposes. All newly installed vegetation shall be native to the southern Oregon coast, identical to or similar to existing vegetation. Notwithstanding the above, all gorse-family vegetation shall be eradicated when and where discovered, and no gorse-family vegetation shall be placed within the Open Space Restricted Use Area. The Association shall maintain an account for the purpose of maintaining slope stability, vegetation maintenance, and open space maintenance.
- d. **Pedestrian easement for beach access.** A private Pedestrian Beach Access easement, identified on the map as Beach Access Pathway, is created to provide for beach access for all Lot Owners. This beach access is to be the sole beach access route for all Owners, their families, guests and tenants. The access easement is to be within the North and South Private Drive Common Property, and within the Open Space Restricted Use Area, as shown generally on the Final Plat. Due to slope movement, path erosion, slope or path maintenance, and other natural and physical reasons minor relocation of the path may occur within the Open Space Restricted Use Area. Such path relocation may occur upon recommendation of the Design Review Committee, and with Board approval. The right of any Owner to

use any easement described herein shall also accrue to such Owner's guests, tenants, and/or invitees.

Section 4. Member's Easements and Rights of Enjoyment

Subject to the provisions of the Declaration, the Bylaws and rules and regulations of the Association, every Owner is to have a right and easement of enjoyment, as described herein, on the Common Property, an easement of access through the Common Property reasonably necessary for access to the Owner's Lot, and an easement of pedestrian access on the beach access pathway. The Owners' easements described herein are subject to the following rights of the Association.

- a. Right of the Association to establish reasonable rules and charge reasonable assessments and fees.
- b. Right of the Association to suspend the right of an Owner to use a Common Property or common easements if assessments against his Lot remain unpaid for more than thirty (30) days, other than vehicular and utility access easements to Owner's Lot.
- c. Right of the Association to suspend the right of the Owner to use Common Property or common easements other than vehicular and utility access to an Owner's Lot for other infractions of the Declaration, Bylaws or rules and regulations.
- d. Right of the Association to dedicate streets or utilities.
- e. An Owner may delegate or assign the right of enjoyment to an easement to Members of the family, guests and lessees, subject to this Declaration and the rules and regulations.

Section 5. Easements for Encroachments

Any encroachment on any property in the Community that results from any construction, reconstruction, repairs, shifting, settlement or movement of any portion of the Community, creates an easement on the affected property for the encroachment of a scope and duration that is reasonably necessary to accommodate the encroachment.

Section 6. Open Space Restricted Use Area (OSRUA)

The Association to hold the sole easement for access and maintenance of the OSRUA. No individual or Association pathways, structures, development, landscaping, planting or improvements permitted, other than those plantings and/or improvements necessary for slope maintenance. All slope maintenance to be performed

solely by an agent of the Board, after review by the Committee. All slope maintenance to conform with the recommendations of the geological report or reports selected by the Board to govern slope maintenance.

ARTICLE VIII - PROVISIONS FOR THE BENEFIT OF THE CITY OF BROOKINGS

Section 1. Repair and Maintenance

The City of Brookings may maintain and repair the North and South Private Drives and storm drain facility after giving Association notice of its failure and a reasonable opportunity to perform.

Section 2. City of Brookings Easement

The City is to have an easement of access over and upon the North, South and East Private Drives for emergency equipment and personnel of utilities, fire department and police department for the purpose of inspection and investigation of drives, water, sanitary sewer and storm drain utilities. The City is to have easement of access to all utility easements shown on the Plat on the condition that the City is to restore the surface of the property and any landscaping improvements to the original condition after performing maintenance or repair in said easements.

Section 3. Building Codes and Zoning Ordinances

All Owners are to comply with all applicable laws, building codes, zoning ordinances and permit procedures in the construction of improvements.

Section 4. Amendments Affecting the City of Brookings

The Declaration may not be amended to allow dissolution of the Association, elimination of maintenance responsibility for the North and South Private Drives, for the Open Space Restricted Use Area (OSRUA), and for the private storm drainage facilities, unless the City Attorney has first reviewed and approved such amendment in writing. A major amendment of any of the Conditions of Development attached to the preliminary Plat approval for Oceanside Estates shall require a review by the City staff and a public hearing as required by the City for revision of the Conditional Use Permit.

Section 5. Conveyance of Common Property; Dissolution of the Association

The City of Brookings must first approve any dedication, conveyance, Mortgage or other transfer of Common Property. The

Association shall not dissolve without the consent of the City, and not unless Common Property has been dedicated to and accepted by the City.

Section 6. Local Assessment

Owners of Lots shall be responsible for any local government taxes, levies or assessments, including the Dawson Tract water and sewer assessment, against each individual Lot. The Association shall be responsible for the same against Common Property. Owners shall pay such assessments and levies when due. The Association shall pay Common Property assessments and levies when due.

ARTICLE IX - HOMEOWNERS ASSOCIATION

Section 1. Organization; Adoption of Bylaws

Following the execution and recordation of this Declaration, a Homeowners Association ("Association") to be organized to provide for the preservation and architectural control of the Community, maintenance of the OSRUA, the beach access pathway pedestrian easements, and to promote the health, safety and welfare of the Owners and Occupants. The Association shall be a non-profit corporation incorporated under the laws of the State of Oregon. Declarant shall adopt and file of records Articles of Incorporation, and Bylaws for the Association.

Section 2. Board of Directors

The Board of Directors shall govern the affairs of Homeowners Association as provided in Bylaws. The Declarant shall appoint initial Board of Directors.

Section 3. Power and Duties of the Homeowners Association

The Homeowners Association has powers granted or delegated to it by law, the Articles of Incorporation, the Declaration and the Bylaws.

ARTICLE X - MEMBERSHIP AND VOTING RIGHTS

Section 1. Members

Owners or purchasers under land sale contract are to be mandatory Members of the Association. Any transfer of ownership in a Lot automatically transfers all membership rights in the Association to the transferee.

Every Owner shall be a Member of the Association subject to the terms of the Declaration, the Articles, the Bylaws, and any

Association rules and regulations. Ownership of a Lot shall be the sole qualification for membership in the Association; provided, however, a Member's voting rights or rights to use Common Property may be regulated as provided in this Declaration, the Bylaws, or the Association rules. The membership of an Owner shall be appurtenant to and may not be separated from the interest of an Owner in his or her Lot. Lot ownership shall be determined, for all purposes hereof and the Bylaws and the administration of the property, from the record of Lot ownership maintained by the Association.

The Board of Directors may, at its discretion, require that a Lot Owner file with the Association satisfactory proof of ownership, including a copy of the deed to or land sale, or installment contract, for his Lot to which shall be affixed the Certificate of the recording office of Curry County, Oregon, showing the date and place of recording such deed or contract. Notwithstanding the foregoing, the Declarant shall be the Owner of all previously unsold Lots, although no deed or land sale contract with respect to such Lots has been filed with the Association.

Section 2. Voting Rights

Members in good standing are entitled to voting rights. Members shall be deemed to be in good standing if all assessments payable by the Member have been paid when due, or are paid at the time of the vote.

Not later than the first conveyance by Declarant of a Lot to an individual Owner, other than the Declarant, the Association shall assume control of the Common Property and commence to perform its obligations hereunder, at which time voting rights shall commence as to all Lots within the subject property. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles, Bylaws, and Association rules.

The Association to have two classes of voting Members:

- a. Class A Members: All Owners with the exception of Declarant. Class A Members entitled to one vote for each Lot owned.
- b. Class B Members: The Declarant. Class B Members entitled to four votes for each Lot owned. Class B membership to cease and convert to Class A membership at the time of the Turnover Meeting.

Section 3. Turnover Meeting

Not later than one hundred twenty (120) days after the date on

which the Owner in title to the real property described in Exhibit A at the time of the recording of the Plat with the Clerk of Curry County has conveyed Lots representing ninety percent (90%) of the votes in the Association, the Board of Directors shall call a Turnover Meeting as provided for in the Bylaws, for the purpose of turning over the Common Property to the Association and converting classes of membership in the Association. ("Lots," as stated above, to mean the Lots existing after all potential phases of development have been platted and annexed to the Community as described in this Declaration.

Notice of the Turnover Meeting shall be sent or otherwise given in accordance with this Section not less than ten (10) or more than ninety (90) days before the date of the meeting. The notice shall specify the place, date and hour of the meeting, and the purpose thereof. Notice shall be given either personally or by first class mail, telegraphic or other communication, charges prepaid, addressed to each Member appearing on the books of the Association to the address given by the Member to the Association for the purpose of the notice. If no address appears on the Association's books, and no other address has been given, notice shall be deemed to have been given if sent to that Member by first-class mail, telegraphic or other written communication to the Association's principal office. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. An affidavit of the mailing or other means of giving any notice of the meeting may be executed by the Secretary or Assistant Secretary of the Board, Declarant, or any other party giving the notice, and, if so executed, shall be filed and maintained in the minute book of the Association.

ARTICLE XI - COVENANTS FOR ASSESSMENT

Section 1. Creation of Lien and Personal Obligation of Assessments

Each Owner is obligated to pay to the Association (1) annual assessments, (2) special assessments and (3) individual assessments. Each Owner of any Lot, by acceptance of the Deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay the aforesaid assessments. The assessments, together with any additional amounts as provided by this Declaration, shall, upon recordation of a Notice of Delinquent Assessments in the office of the recording officer of Curry County, Oregon, become a lien upon the Lot against which each such assessment is made. Each such assessments, together with any additional amounts, shall also be the personal obligation of the Owner of such Lot at the time the

assessment becomes due; provided, however, that any such assessment which becomes a lien upon a Lot hereunder shall run with the property and remain a lien thereon even if a personal obligation therefor fails to pass to any successor in title to said Lot. Assessments and collection costs are to be a continuing lien upon the Lot. The lien of the assessment is to run with the Lot. The Association may provide for the method of assessing and recording such liens. Interest will be due on such assessments if not paid within thirty days of date of billing. Interest will be charged at the legal rate. Reasonable attorneys' fees and other costs of collection may be added to the assessment in the event that such assessments are not paid within thirty (30) days of date of billing, and in the case that such assessments or liens are sought to be enforced in a Court of law or equity at trial and on appeal. To aid the Association in collecting the assessments, a seller of a Lot is to give the name and address of the buyer to the Association, including date of sale, within thirty (30) days of date of sale.

Section 2. Purpose of Annual Assessments

Exclusively to promote the health, safety and welfare of the Owners and Occupants, and to pay Common Expenses. Common Expenses to include those items referred to in Article I, Definitions, Section 8.

Section 3. Reserve Accounts for Major Repair and Replacement of Improvements

The Association is to maintain a reserve account for repair and replacement of all items of Common Property which will require replacement in whole or in part in more than three (3) and less than thirty (30) years. The reserve account is to be funded out of annual assessments each year. Reserve assessments are to begin accruing on all Lots in each phase from the date that the first Lot is conveyed in that phase to other than Declarant. Declarant may defer payment of the accrued reserve assessment on all unsold Lots until such Lots are conveyed. The reserve fund shall be established in the name of the Association and shall be used only for the replacement of Common Property as herein described; provided, nothing herein shall be deemed to prohibit the prudent investment by the Association of reserve fund monies, subject to any constraints upon such investment imposed by the Association rules. Said reserve fund account shall be kept separate from the general operating account of the Association. Assessments paid into the reserve fund shall be the exclusive property of the Association and not refundable to Owners or vendors of Lots. The reserve account may be increased, reduced or eliminated after the second year after the Turnover Meeting by Owners representing

ninety percent (90%) of the votes in the Association.

Section 4. Budget for Annual Assessment

The Board will annually adopt a budget for annual assessments and provide a summary of the budget to all Owners within thirty (30) days of adoption. Forty percent (40%) of all Owners may petition for a review of the budget. Fifty-one percent (51%) of the Owners may reject the budget at a review meeting.

Section 5. Annual Assessments

The Board is to fix the annual assessments following adoption of the budget, as provided in Section 4.

Annual assessments may be made payable on a monthly, quarterly, semi-annual or annual basis, as determined by the Board.

Section 6. Deferral of Commencement of Annual Assessments

Declarant may defer the commencement of annual assessments on all Lots in any phase so long as Declarant pays all expenses of the Association attributable to such phase.

Section 7. Special Assessments for Capital Improvements

The Board may levy a special levy applicable to one year only to defray costs of capital improvements on Common Property for which the reserve account is inapplicable or inadequate, provided that such assessment shall have the consent of fifty-one percent (51%) of the votes of each class of Members.

Section 8. Individual Assessments

The Board may assess an Owner individually for Common Expenses incurred through such Owner's, their tenants', or guests' fault or direction, or failure to perform obligations imposed on Owners by this Declaration, the Bylaws or rules and regulations. Any such assessment is to include costs of collection and reasonable attorneys' fees as described under Section 1.

Section 9. Uniform Rate of Assessment; Special Area Assessments

Any assessment for maintenance and reserves for private streets and associated private utilities serving the East Side shall be borne by Lots 14 through 34. Assessments for maintenance and reserves for replacement for the North Private Drive and associated utilities shall be borne by Lots 6 through 10 and 13. Assessments for maintenance and reserves for replacement for the South Private

Drive and associated utilities shall be borne by Lots 2, 11 and 12. The costs of extending the North Private Drive, together with associated utilities, past the top of the bluff, shall be borne solely by Lots 9 and 10, and if not paid shall become a special assessment against said Lots. The cost for extending the South Private Drive, together with associated utilities, past the top of the bluff shall be shared by Lots 11 and 12, and if not so paid shall become a special assessment against said Lots. The cost of maintaining the slope easement area shall be borne by all the West Side Lots, Lots 1 through 13, as a special assessment. The costs of maintenance for and replacement reserves for the beach access pathway shall be borne equally by all Lots, Lots 1 through 34. The cost of public improvements assessed against the Association for future improvements to Dawson Road, including City utility extensions, roadway improvements, sidewalks, and the like, shall be borne by all Lots, Lots 1 through 34. (Lots 9, 10, 11 and 12 may have special assessments which are due to costs associated with the private roads and utilities not utilized by other Lot Owners.) All other expenses shall be borne by all Lots uniformly.

Section 10. Subordination of the Lien to Real Estate Taxes and Mortgages; Transfer of Lot

The lien for assessment is to be subordinate to the lien for real estate taxes and other governmental assessments, and to the lien of any First Mortgage of record. The sale or transfer of a Lot will not extinguish or in any other way affect the validity of the assessment lien on said property. Typical caveats for subsequent Mortgagee, junior lien holders, or purchasers.

ARTICLE XII - COLLECTION OF ASSESSMENT; ENFORCEMENT

Section 1. Compliance With Lot Declaration, Bylaws, Rules and Regulations

Each Owner and Occupant is to comply with Declaration, Bylaws and rules and regulations subsequently adopted and amended.

Section 2. Authority to Enforce and Collect

The Board has the authority to enforce provisions of the Declaration, Bylaws and rules and regulations. The Board may exercise remedies specified in this Declaration, the Bylaws, and available at law. All remedies are cumulative and not exclusive. The Board is entitled to collect reasonable collection costs, including attorney fees, as provided on Article XI, Section 1; provided, however, that neither the Declarant nor the Association shall be liable for damages of any kind to any person for failing to enforce or carry out such covenants or restrictions.

Section 3. Abatement and Enjoining of Violations

In the event of any violation of the Declaration, the Bylaws, or the rules and regulations of the Association, the Board has the right to:

- a. Enter the Lot and abate and remove violation at the expense of the Owner.
- b. Enjoin, abate or remedy any thing or condition contrary to said provisions, including removal or alteration of construction by legal proceedings.

Section 4. Interest; Late Charges; Fines

Interest is to accrue on any assessment not paid within thirty (30) days at the legal rate. The Board may impose charges for late payments after giving notice.

Section 5. Acceleration of Assessment

When an Owner fails to pay an installment of an assessment when due, the Board may declare the defaulting Owner's entire annual or special assessment due immediately.

Section 6. Attachment, Notice, Recordation, Duration and Foreclosure of Lien; Appointment of Receiver; Power to Bid at Foreclosure Sale

The Board is to follow provisions regarding attachment, notice, recordation and duration of liens established on real property under ORS 87.352 to 87.382 and provisions regarding the foreclosure of liens under ORS Chapter 88. Notwithstanding ORS 87.376, a suit to foreclose any lien created by this Declaration shall be commenced within three (3) years of its recordation.

Section 7. Action to Obtain and Recover a Money Judgment

The Board may bring an action to obtain a money judgment against Occupant or Owner for damages for the Occupant's or Owner's breach or non-compliance with the provisions of the Declaration, Bylaws or rules and regulations. The Board may bring an action to obtain a money judgment for unpaid assessments.

Section 8. Collection Costs; Attorneys' Fees

Owners failing to pay assessments on time shall be obligated to pay reasonable fees and costs, including attorneys' fees, as provided in Article XI, Section 1.

ARTICLE XIII - DAMAGE AND DESTRUCTION

Section 1. Insurance Proceeds Sufficient to Cover Loss

Insurance proceeds maintained by the Owner are to be applied for the reconstruction of damaged or destroyed structures. Insurance proceeds maintained by the Association are to be applied to reconstruct damaged or destroyed Common Area or easement areas. All Owners are responsible for carrying fire, homeowners, and/or casualty insurance for any improvements on their Lots. The Association will not maintain any fire, homeowners, and/or any casualty insurance for any Lots or their improvements.

Section 2. Insurance Proceeds Insufficient to Cover Loss

If insurance proceeds for common property are insufficient, the Association may level a special assessment to increase monies available for reconstruction or repair of common areas so damaged.

ARTICLE XIV - GENERAL PROVISIONS

Section 1. Indemnification of Directors, Officers, Employees and Agents

Directors, officers, employees, or agents of the Association are hereby to be indemnified and held harmless by the Association for any acts or omissions performed by them during the course and scope of their activities in pursuance of their powers and duties under the terms of this Declaration, the Bylaws, and the Association rules and regulations, when such acts or omissions are the result of the good faith acts of said director, officer, employee, or agent.

Section 2. Rights of Mortgagees

Any holder of a First Mortgage lien on any Lot, upon written request to the Board, shall have the right to:

- a. Receive timely written notice of Association meetings.
- b. Receive timely written notice of any proposed abandonment or termination of the Association.
- c. Receive timely written notice of any material amendment to the Declaration, Articles of Incorporation or Bylaws.
- d. Receive timely written notice of any decision by the Association to assume self management.

- e. Inspect financial records and similar documents of the Association.
- f. Receive written notice of substantial damage to or destruction of Common Property.
- g. Receive timely written notice of any condemnation or eminent domain proceeding affecting the Common Property.

Section 3. Notice of Default by Mortgagor

Upon written request, Board to give Mortgagee written notice of any default by the mortgagor in the performance of mortgagor's obligations under this Declaration, which is not cured within thirty (30) days.

Section 4. Enforcement

The Association, or any Owner, shall have the right to enforce, by proceedings at law or equity, all covenants, conditions, restrictions and easements now or hereafter imposed by this Declaration or any amendment hereto, including the right to prevent the violation of any such covenants, conditions, restrictions and easements, and the right to recover damages, as well as costs and attorney fees, or other sums for such violation. The Association or any Member shall also have the right to enforce by proceedings at law or equity the provisions of the Articles or Bylaws and any amendments thereto. The foregoing notwithstanding, with respect to architectural control and Assessment liens or any other liens or charges, the Design Review Committee and the Association, respectively, shall have the exclusive right to the enforcement thereof.

Section 5. No Waiver

Failure by the Association, Declarant or by any Owner to enforce any covenant, condition, restriction, easement, or provision herein contained, or contained in the Articles, Bylaws or Association rules, in any certain instance or on any particular occasion, shall not be deemed a waiver of such right of enforcement thereafter as to the same or any other covenant, condition, restriction, easement or provision.

Section 6. Cumulative Remedies

All rights, options and remedies set forth in this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, the Board, the Owners, and the Mortgagees shall have the right, to the extent provided for herein,

to pursue any one or all of such rights, options and remedies, or any other remedy or form of relief which by law may be provided, whether or not stated in this Declaration.

Section 7. Severability

Invalidation of any one or a portion of the provisions set forth in this Declaration, or the Articles, Bylaws or Association rules, by judgment or order of a Court, shall in no way affect any other provision thereof, the same to remain in full force and effect.

Section 8. Construction; Effect of Headings

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a planned residential community under the Act, and for the maintenance of the Covered Property, including the Common Property. Article and Section headings herein have been included for convenience only, and shall not be considered in resolving matters of construction, interpretation or application.

Section 9. Singular Includes Plural

Whenever the context of this Declaration so requires, the singular shall include the plural, the plural shall include the singular, and use of the masculine form shall include the feminine and neuter, and vice versa.

Section 10. Nuisance

The result of every act or omission whereby any covenant, condition, restriction, easement or other provision contained in this Declaration, or the Articles, Bylaws or Association rules, is violated in whole or in part, may be declared to be a nuisance, and every remedy allowed at law or in equity against a nuisance, public or private, shall be applicable to the abatement thereof and may be exercised by the Declarant, the Association or any Owner. Such remedy shall be cumulative and in addition to all other remedies available.

Section 11. Attorneys' Fees

In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Articles, Bylaws or Association rules, the prevailing party in such action shall be entitled to recover as part of the judgment a reasonable attorney's fee and costs and disbursements of suit.

Section 12. Notices

Any notice to be given to an Owner, or to a Mortgagee or mortgage servicing contractor, or insurer or guarantor of a Mortgage, under the provisions of this Declaration shall be in writing and may be delivered as follows:

a. Notice to an Owner shall be deemed to have been properly delivered when delivered personally or placed in the first-class U.S. mail, postage prepared thereon, to the most recent address given by such Owner to the Association, in writing, for the purpose of such notification, or if no such address for notification shall have been given, then to the street address of the Owner's Lot. Any notice so mailed shall be deemed delivered forty-eight (48) hours after depositing in the mail in Curry County, Oregon, or shall be deemed delivered in ninety-six (96) hours after depositing in the mail outside of Curry County, Oregon. In the case of co-Owners, any such notice delivered or mailed to any one of the co-Owners shall be deemed delivered or mailed to all.

b. Notice to a Mortgagee, Mortgage servicing contractor, or insurer or guarantor of a Mortgage, shall be deemed to have been properly sent, and deemed delivered, in the same manner as for notice to an Owner, but shall be directed to the most recent address provided for such notification, or if none provided, then to any office of such party located in Curry County or as close to said County as may be found.

c. The declaration of an officer or authorized agent of the Association stating under penalty of perjury that a notice has been delivered or mailed under this Section for the purpose of giving notice shall be conclusive proof of such delivery or mailing.

Section 13. Effect of Declaration

This Declaration is made for the purposes set forth in the recitals hereto, and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, the Articles or Bylaws, or Association rules, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like, applicable thereto. Declarant shall have no liability whatever if any of the said provisions is judged to be unenforceable in whole or part, or under any certain circumstances.

Section 14. Personal Covenant

To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and Declarant,

other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when such Owner ceases to be the Owner of such Lot except as to the payment of monies to the Association which became due during the period of such ownership.

Section 15. Non-liability of Officials

To the fullest extent permitted by law, neither the Board of Directors, any Committees of the Board or the Association, nor any Member of such Board or Committee, nor any officer of the Association, shall be liable to any Member or to the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission to act, error, negligence or the like, made in good faith and as to which such Board, Committee or Member thereof, believed to be within the scope of his or their duties.

Section 16. Conflict of Provisions; Priority

In the event of any conflict between this Declaration and the Articles or Bylaws, this Declaration shall control. In the event of any conflict between the Articles and Bylaws, the Articles shall control.

ARTICLE XV - AMENDMENTS TO DECLARATION

Section 1. Amendment by Members

The Declaration may be amended only by affirmative vote of the Owners representing ninety percent (90%) or more of the total votes of the Association. No amendment of Article XIV, Section 4, is effective without prior written approval of all institutional holders of First Mortgages. No amendment of Article VIII effective without prior written approval of the City of Brookings. No amendment shall limit or diminish any special Declarant rights without the Declarant's consent.

Section 2. Declarant's Right to Amend

Notwithstanding, the Declarant may amend the Declaration in order to comply with requirements of the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration of the United States, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Mortgage Loan Corporation, any department, bureau, board, commission, or agency of the United States or the State of Oregon or any corporation wholly owned, directly or indirectly, by the United States of the State of Oregon, which insures, guarantees, or

provides financing for a planned Community or Lots in a planned Community. If the need for such an amendment occurs after Turnover Meeting, such an amendment will require the affirmative vote of the Owners representing ninety percent (90%) or more of the total votes in the Association.

Section 3. Recordation of Amendments

Amendments to the Declaration shall be executed and certified by any officer of the Association designated for that purpose.

DECLARANT

M. F. GORSKI CONSTRUCTION, INC.

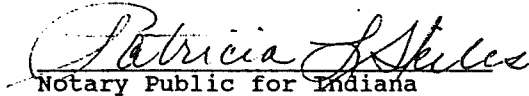


By: M. F. Gorski, President

STATE OF INDIANA)
) ss.
County of MARION)

On this 24 day of March 1994, before me, appeared M. F. Gorski, and duly sworn, did say that he is the President of M. F. Gorski Construction, Inc., the within named corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and M. F. Gorski did acknowledge said instrument to the free act and deed of said corporation.

In testimony whereof, I have hereunto set my hand and affixed my official seal the day and year last above written.



Notary Public for Indiana

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EXHIBIT A

PARCEL I (east side)

A parcel of land lying within the Northwest Quarter of Section 36, Township 40 South, Range 14 West, Willamette Meridian, City of Brookings, Curry County, Oregon, being more fully described as follows:

Beginning at an iron pipe driven 1009.6 feet South and 706.5 feet East of the Northwest corner of said Section 36; thence South 427.77 feet; thence South 71°10' West 378.19 feet; thence North 49°30' West 397.30 feet to the easterly right of way of Dawson Road; thence along said right of way, North 84.60 feet; thence leaving said right of way, North 88°21' East 160 feet; thence North 150.00 feet; thence North 88°21' East 500 feet to the Point of Beginning. Containing approximately 6.17 acres.

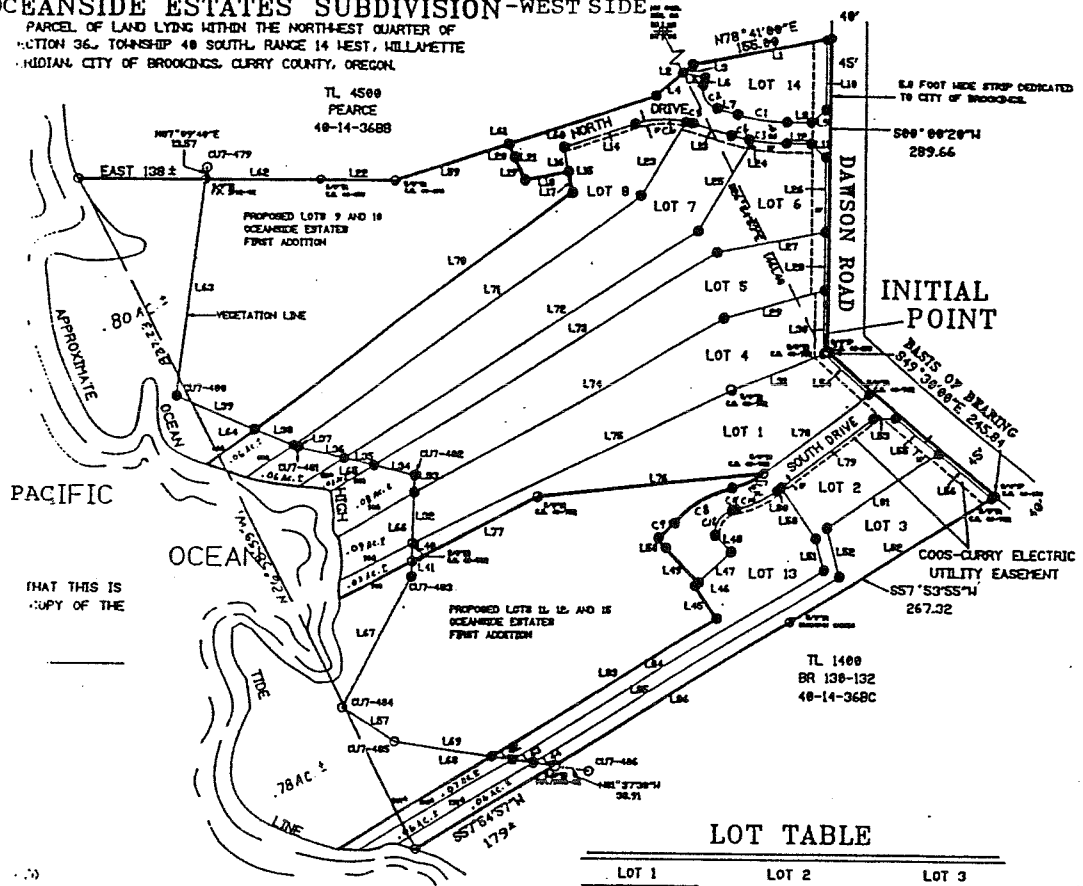
PARCEL II: (west side)

A Parcel of land lying within the Northwest Quarter of Section 36, Township 40 South, Range 14 West, Willamette Meridian, City of Brookings, Curry County, Oregon, being more particularly described as follows:

Beginning at the initial point of Partition Plat Number 1992 - 82 said point being the initial point of this subdivision map said point lying on the westerly R/W of Dawson Road; thence leaving said initial point and following along said R/W South 49°30'00" East, 245.84 feet; thence leaving said R/W South 57°53'55" West, 267.32 feet; thence South 57°54'16" West 305.53 feet to a point which lies on the vegetation line; thence leaving said point South 57°54'56" West 179 feet more or less to the ordinary high tide line of the Pacific Ocean; thence running along said high tide line North 26°58'59" West, 837 feet more or less; thence leaving said high tide line East 138 feet more or less to a point lying on the vegetation line, said point also lying on the northerly boundary of Parcel 1 per Plat Number 1992 - 83; thence leaving said point and vegetation line East, 126.24 feet; thence South 89°51'04" East, 84.20 feet; thence North 71°22'05" East, 303.91 feet; thence North 49°17'01" East, 54.36 feet; thence North 78°41'00" East 155.00 feet to a point which lies on the westerly R/W of Dawson Road; thence leaving said point and following along said R/W South 00°00'20" West 349.48 feet to the initial point of this subdivision.

OCEANSIDE ESTATES SUBDIVISION - WEST SIDE

PARCEL OF LAND LYING WITHIN THE NORTH-WEST QUARTER OF SECTION 36, TOWNSHIP 48 SOUTH, RANGE 14 WEST, HILLAHETTE INDIAN CITY OF BROOKINGS, CURRY COUNTY, OREGON.



PACIFIC OCEAN
VEGETATION LINE
APPROXIMATE
80' ±
VEGETATION LINE
78 AC ±
LINE

LOT TABLE

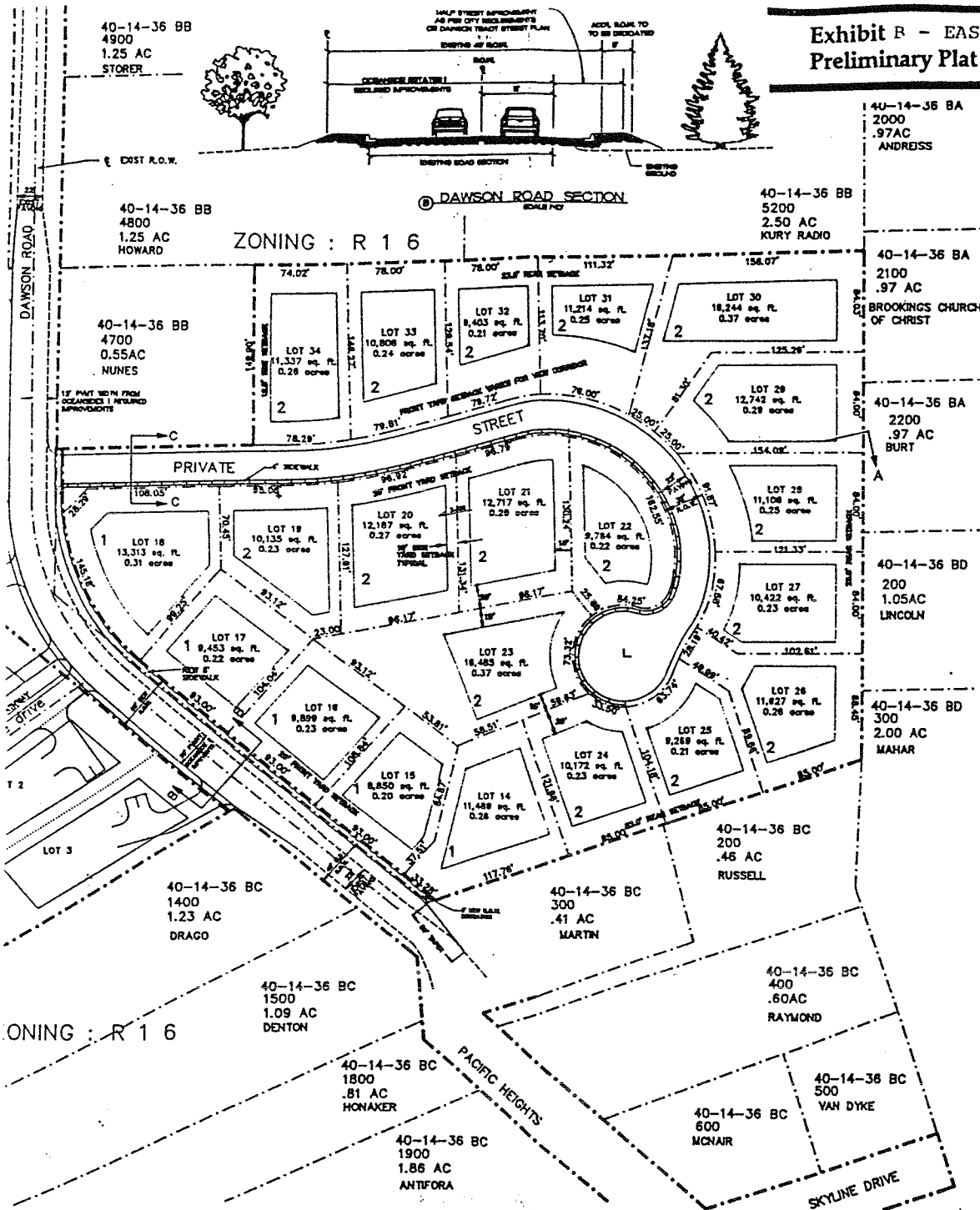
LOT 1	LOT 2	LOT 3
26839.976 SOFT. OR 0.616 ACRES	17606.842 SOFT. OR 0.404 ACRES	17866.957 SOFT. OR 0.410 ACRES
LOT 4	LOT 5	LOT 6
31655.230 SOFT. OR 0.727 ACRES	32325.242 SOFT. OR 0.742 ACRES	25418.842 SOFT. OR 0.584 ACRES
LOT 7	LOT 8	
34202.331 SOFT. OR 0.785 ACRES	28042.422 SOFT. OR 0.644 ACRES	
LOT 13	LOT 14	
16515.987 SOFT. OR 0.379 ACRES	10191.873 SOFT. OR 0.234 ACRES	
LOTS 9 AND 10	LOTS 11, 12, AND 13	
72534.802 SOFT. OR 1.665 ACRES PROPOSED FIRST ADDITION	78767.839 SOFT. OR 1.808 ACRES PROPOSED FIRST ADDITION	

CURVE TABLE

Δ	(R)	ARC	(L.C.)	
C1	16°28'55"	188.00	54.00	S81°45'12"E 53.89
C2	84°57'56"	23.00	34.11	S31°01'47"E 31.87
C3	11°01'32"	212.00	48.79	N84°28'54"N 48.73
C4	05°27'23"	212.00	28.19	N76°14'27"N 28.18
C5	03°45'12"	188.00	7.87	N75°23'21"N 7.87
C6	31°21'58"	188.00	59.12	S97°03'04"N 58.39
C7	25°31'47"	86.00	38.32	S64°37'56"N 38.00
C8	38°16'16"	114.00	76.15	S58°15'41"N 74.74
C9	15°37'28"	86.00	23.45	S46°56'17"N 23.38
C10	25°31'47"	118.00	49.01	N64°37'53"E 48.61
C11	03°17'28"	98.00	5.17	N75°45'09"E 5.17
C12	80°56'10"	25.00	35.31	N33°38'24"E 32.45

ALL AREAS NET ABOVE VEGETATION LINE

Exhibit B - EAST SIDE Preliminary Plat



CITY OF INDIANAPOLIS
 DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT
 1100

OWNER:
 MIKE CORSEI
 9749 HAMPTON CIRCLE N. DR.
 INDIANAPOLIS, IN 46256
 (317) 841-1333

T.J. BOSSARD & ASSOCIATES
 Civil & Structural Engineering
 883 N.E. 7th St.
 Greater Falls, OR 97026
 (503) 478-2803
 FAX : (503) 478-8868



ALEX FORRESTER & ASSOCIATES
 Community and Land Use Planning
 808 N.E. 7th St.
 Greater Falls, OR 97026
 (503) 478-2803
 FAX : (503) 478-8868



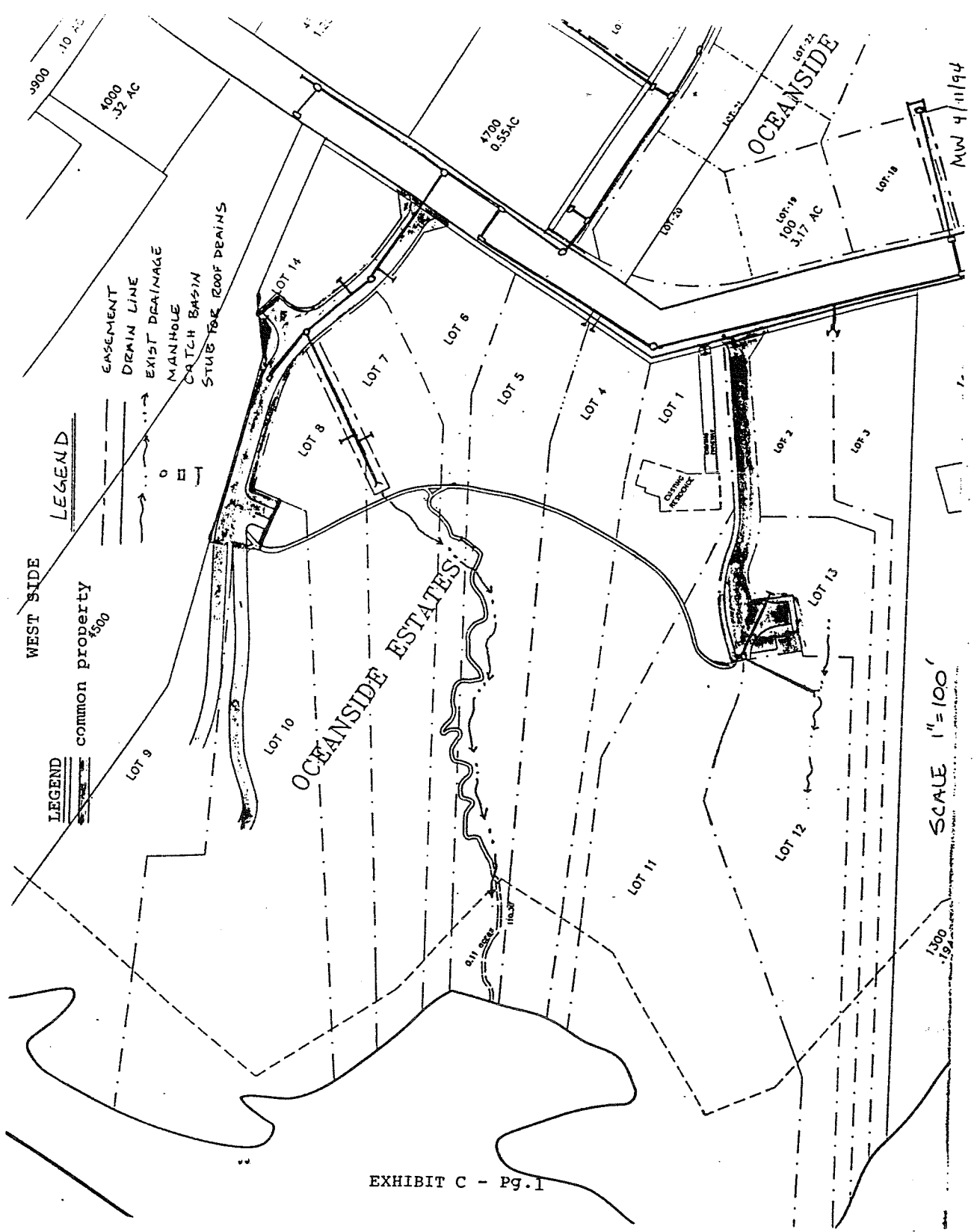
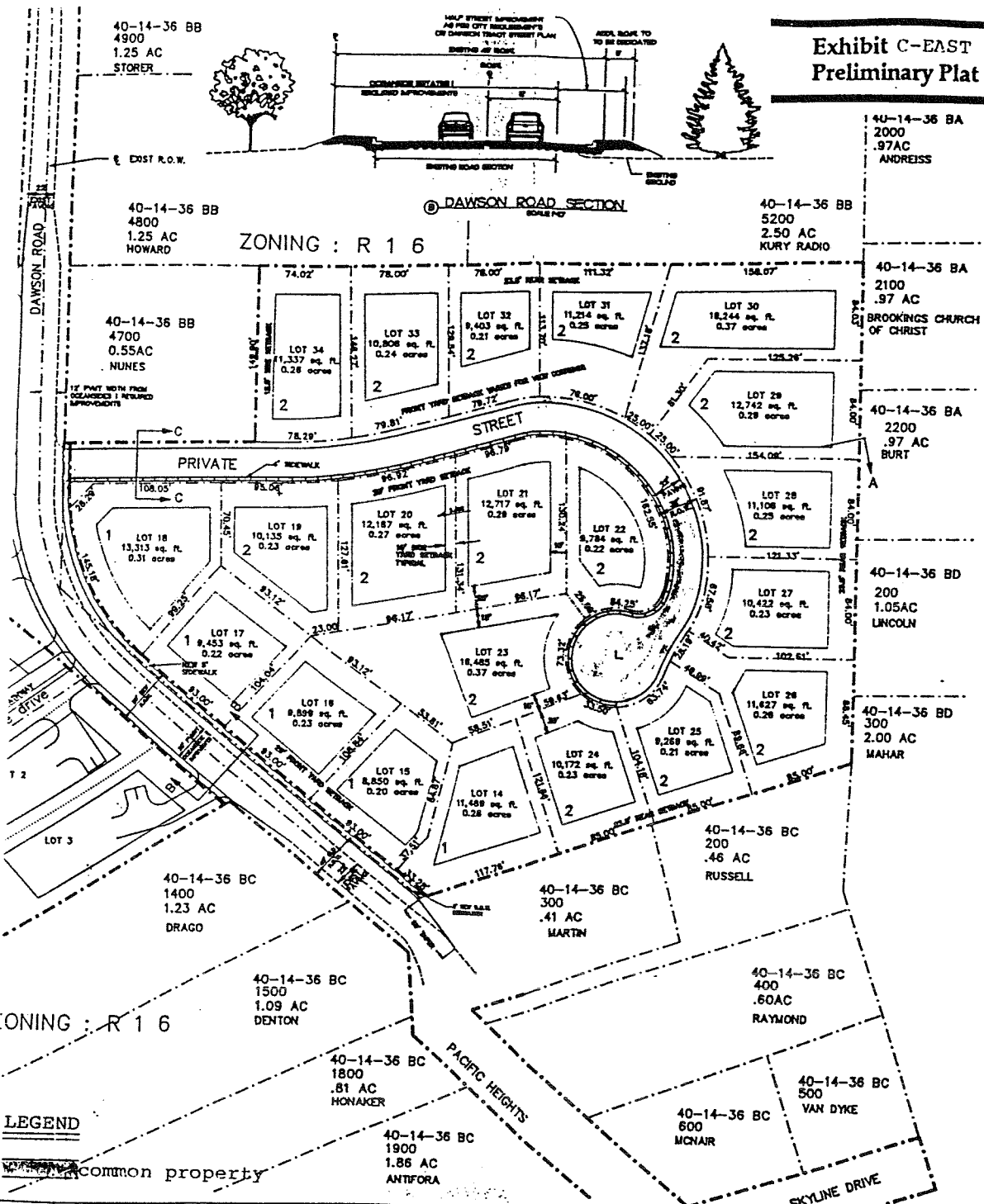


EXHIBIT C - Pg.1

Exhibit C-EAST SIDE Preliminary Plat



LEGEND

common property

FES II CITY LAT 1, 1220	OWNER: MIKE CORSEY 8749 HAMPTON CIRCLE N. DR. DUBLIN, GA. 30128 (404) 441-1220	T.J. BOSSARD & ASSOCIATES Civil & Structural Engineering 200 N.E. 11th St. Gainesville, FL 32601 (352) 478-4000 FAX: (352) 478-4000	
	ALEX FORRESTER & ASSOCIATES Community and Land Use Planning 800 N.E. 11th St. Gainesville, FL 32601 (352) 478-4000 FAX: (352) 478-4000		
EXHIBIT C - Pg. 2			

 **H.G. Schlicker & Associates, Inc.**
235 N.E. 122nd Avenue, Suite 300 • Portland, Oregon 97230
(503) 257-9666

Project #92-966

December 14, 1992

To: Mr. Michael F Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256

Subject: Geological Reconnaissance of
Proposed Residential Development on
Parcel 2, Tax Lot 1100, Sec. 36, T.40S., R.14W., W.M.
County Map 40-14-36-BC
City of Brookings, Oregon

Dear Mr. Gorski:

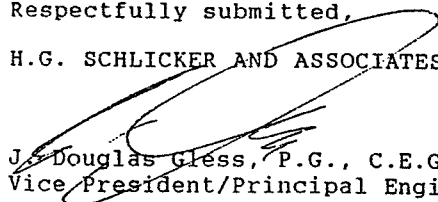
The accompanying report presents the results of our engineering geologic investigation of the above referenced site for the development of single-family residential homesites.

After you have reviewed our report, we would be pleased to discuss the report and to answer any questions you might have.

This opportunity to be of service is sincerely appreciated. If we can be of any further assistance regarding this or future projects, please contact us.

Respectfully submitted,

H.G. SCHLICKER AND ASSOCIATES, INC.


J. Douglas Gless, P.G., C.E.G.
Vice President/Principal Engineering Geologist

JDG:cec

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H.G. Schlicker & Associates, Inc.

235 N.E. 122nd Avenue, Suite 300 • Portland, Oregon 97230
(503) 257-9666

Project #92-966

December 14, 1992

To: Mr. Michael F Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256

Subject: Geological Reconnaissance of
Proposed Residential Development on
Parcel 2, Tax Lot 1100, Sec. 36, T.40S., R.14W., W.M.
County Map 40-14-36-BC
City of Brookings, Oregon

Dear Mr. Gorski:

1.0 Introduction

At your request, we have completed an engineering geologic reconnaissance of the subject site to assist you in planning the development of the property.

It is our understanding that you intend to subdivide the property into single-family residential homesites. The site plan, including the location of the lots will be developed based, in part, on the information provided in this report.

1.1 Purpose

The purpose of this report is to provide you with geologic information suitable for use in site planning.

1.2 Scope of Work

The scope of our work included surficial engineering geologic reconnaissance completed in late October and early November, 1992, interpretation of topographic maps and stereo aerial photography, limited subsurface exploration, and a limited review of geologic literature pertinent to the site. Soils testing, slope monitoring and controlled mapping were not conducted.

1.3 Location and Topography

The property is located near the center of the west half of the northwest quarter of Section 36, Township 40 South, Range 14 West of the Willamette Meridian (Figure 1). The property is located on the ocean front with a nearly flat lying upper terrace surface on the eastern margin at about 130 feet elevation MSL (Figure 2). Two rocky headlands, located in the southwest and northwest part of the property extend to the southwest and are separated by a cusp shaped beach and bowl shaped depression. Similar but smaller bowls

occur on the north side of the north headland and on the south side of the south headland. The higher elevations at the north, west and south sides of the rocky headlands are cliff-like. The property is densely vegetated with low lying shrubs and trees which limited our ability to observe the area.

2.0 Geology

Geology of the site is presented below.

2.1 Dothan Formation

Bedrock at the property belongs to the Late Jurassic Dothan Formation. Within the accessible borders of the property, this bedrock is composed of shales, siltstones, sandstone, pebblestones, greenstone, and pillow lavas. The rocks are very disrupted which has resulted in large blocks of strong rock being contained in a weak matrix of sheared material.

Shales and siltstones are the predominate bedrock at the property. These rocks underlie the bowl shaped slopes and are present between the bodies of sandstone and pebblestone. Shales and siltstones also occur associated with the more massive units of volcanic greenstone and pillow lava. Shale and siltstone bedrock in the areas of the bowls is generally wet and covered with saturated gravelly clay soils. Shale and siltstone bedrock at the property has low permeability.

Sandstone and pebblestone bedrock occur sporadically throughout the property usually as cobbles or boulders surrounded by shales and siltstone. At the southwest corner of the property sandstone and pebblestone boulders and blocks are larger with some greater than 15 feet in diameter. These larger blocks appear to be separated from each other by weak sheared shale and siltstone materials.

Volcanic rocks at the property are well exposed along the shoreline. These volcanics consist primarily of a hard, dense and strong greenstone consisting of metamorphosed andesite agglomerate. Outcrops of pillow lava are present at the extreme northwest corner of the southern headland and adjacent to the beach. Most of the large boulders and nearly all of the exposed cliff areas at the property are composed of the greenstone.

Joints and fractures occur in many of the cliff areas. These joints have created rockfall prone slopes and as a result numerous boulders are present on the slopes below the cliffs.

2.2 Marine Terrace Unit

In the upper flat-lying eastern part of the property and along the headland ridges unconsolidated gravels grading upwards into unconsolidated pebbles and sands are present and mantle the

underlying bedrock materials. These unconsolidated gravels, pebbles and sands belong to a Pleistocene marine terrace which formed when the upper terrace at the site was at sea level. At that time the upper surface of the Dothan Formation was scoured and planed by the ocean and eroded by streams which formed gullies or depressions into the softer shales and siltstones, while leaving some higher ridges and units of harder sandstone, pebblestone and greenstone bedrock. The eroded gullies and depressions were filled in first with gravels and sands grading upwards and finally covering the flat lying areas with sands and silts.

The thickness of the marine terrace materials are variable. The thinnest sections, less than 10 feet, overlie sandstone and greenstone bedrock units. The thickest sections, perhaps more than 20 feet overlie areas of very soft sheared shales.

The marine terrace materials form an aquifer in the general vicinity of the property. This water can be observed discharging at the base of the marine terrace materials in some thicker sections where exposed along the ocean-front slopes.

3.0 Bedrock Structural Geology

The property is located in a structurally complex area, with many faults and associated bedrock shearing. Two large mappable faults occur at the property. One in the northwest corner which trends nearly north-south separating greenstone on the west from shale and siltstone on the east. Another large fault is present in the south part of the property and trends northeast-southwest separating greenstone on the north side at the west end of the headland from shales and siltstones south of the fault. These two faults are believed inactive and were likely contemporaneous with development of the Carpernterville Shear Zone.

The Carpernterville Shear Zone is a major structural feature along the coast in Southern Curry County. This shear zone is believed to be Cretaceous in age and associated with regional thrusting. The shearing has created a melanged or broken formation out of the Dothan rocks. This shearing has completely destroyed the original sedimentary fabrics of the shales and siltstones, resulting in some very weak and low strength rock. The largest units of high strength greenstone were less affected by the shearing. Smaller units of greenstone, sandstone or pebblestone were broken, separated, and rotated within a matrix of more plastic shales and siltstone which is present at the property in the southwest area represented on the Development Suitability Map as M-srs (Figure 3).

4.0 Groundwater

Groundwater can be found emerging from springs in many locations where the marine terrace materials are resting on bedrock. This emerging groundwater generally favors those locations where the marine terrace materials are thickest, such as below the bluff at the south end of the property. Groundwater also emerges at the surface as springs in the bottom of an erosional gully exposed in the northeast part of the property. This emerging groundwater originates as rainfall or man-discharged water which falls and percolates into the marine terrace flats. This large nearly flat upper surface east of Dawson Road is underlain by the highly permeable marine terrace materials, and is a significant groundwater aquifer in the area. Groundwater accumulates in the lower marine terrace materials and on top the low permeability bedrock, and migrates along the marine terrace/bedrock interface finally emerging as springs at the exposed base of the marine terrace along the ocean-front slopes.

The emerging groundwater shown as springs on the map is perennial with some larger flow likely during the wet seasons (Figure 3). Groundwater also emerges in many locations at the bottom of the marine terrace materials in the bowl shaped depressions, keeping the shale and siltstone bedrock constantly saturated.

5.0 Geologic Hazards

Geologic hazards are presented below.

5.1 Slope Failure

Slope failures are present on many of the ocean-front slopes. Most of these failures exist in the bowl areas where shales and siltstones form the bedrock. Failures such as slides, slumps, flows and other landsliding ground are generally present on the ocean-front slopes where excessive water is present. Rock failures are present at some locations of the hard greenstone headland areas, such as on the north and south side of the northern headland and on the west side of the southern headland. Some of the greenstone blocks which have fallen are 10 to 35 feet in diameter.

Along the ridge of the northern headland slope failures have migrated up the slopes on both the north and south sides forming a sharp edge where the marine terrace materials have moved downhill. This sharp edge of coalescing north and south slope failures occurs along the ridge east of the greenstone headland for a distance of about 120 feet. A gradually widening strip of undisturbed marine terrace extends eastward from the sharp edge.

At the south central part of the property and in the area shown as M-mt on the Development Suitability Map (Figure 3) there exists a bench slightly lower in elevation from the adjacent eastern terrace. This bench is interpreted to be a translational landslide which has moved downhill from the original surface of the upper eastern terrace. The marine terrace materials are somewhat thick in this area and discharge water at the base year around.

Subsurface exploration by backhoe test pits in this area revealed infilled fractures in the soil indicative of slope instability.

5.2 Ocean Erosion

Erosion at the toe of the slopes next to the beach can be severe at times in areas of shales and siltstone. This erosion primarily occurs during severe winter storms when the ocean waves are very large. Erosion of the hard and dense greenstone and volcanic units along the shoreline is negligible during most ocean storms. However, at the northwest corner of the property, next to the beach, there are some sea caves which have been eroded along fractures and faults in the greenstone bedrock. Although this bedrock is generally resistant to erosion, these fractures and the associated sea caves can result in some very high hydraulic impact forces when large waves push into the fractures and the caves. Because water has very low compressibility, the force of the moving water as it terminates against the walls of the cave and fractures is nearly instantaneous resulting in some wave impact induced ground shaking. This shaking is not likely to cause structural damage to properly constructed homes nearby, but, may be felt during such storm events. The fracture in the bedrock at the northwest corner of the property extends from the shoreline through the north margin of the rocky point. Areas within proximity of this fracture and exposed cracks north of it are considered high hazard areas.

Erosion of the shales and siltstones at the beach also causes slides and other slope failures. A recent example of a slide caused by toe slope erosion is present at the extreme southwest corner of the property next to the shoreline and believed to have occurred in the last several years.

5.3 Seismicity

Historically, earthquakes impacting Curry County have been rare and of relatively low magnitudes, with the largest event of Mercalli VII-VIII on November 22, 1873, being felt in Port Orford, Oregon and Crescent City, California. Recent geologic information acquired within the last several years, suggest that a serious

earthquake may happen at sometime in the future impacting the Oregon Coast. This future earthquake is interpreted from pre-historic evidence of past events believed caused by the Cascadia Subduction Zone. The last event may have occurred about 225 years ago, with reoccurrence intervals of between 300 to 600 years based upon some pre-historic evidence derived for the past 7,000 years. Ground effects and associated accelerations of such an event could be similar to the 1964, Alaska earthquake. Risks associated with such a possible future earthquake caused by the subduction zone can be considered in the low probability of one occurring in any year, but, with severe consequences should such an event happen.

5.4 Tsunamis

Tsunamis (often mistakenly called tidal waves) are caused by earthquakes, violent volcanic eruptions and sometimes by large fast moving landslides.

Volcanic activity does not occur locally in Curry County and the chance of such an event on the nearby Continental Shelf is remote.

Earthquake generated tsunamis have impacted the Oregon Coast, with the largest historical wave being generated by the 1964, Alaska earthquake, causing a wave at Gold Beach of about 9.4 feet and at Brookings of about 6 feet above M.S.L.. Such an event was likely to have delivered a larger wave to the headland areas of the property.

6.0 Development Suitability

Development suitability of the property is categorized into three general classes, Low, Medium and High, with two transitional classes of Low-Medium and Low-High. The three general classes are subdivided into sub-classes with respect to the geology and type of hazards associated. The class of development suitability are (also see Figure 3):

CLASS I, LOW HAZARDS

L-mt	Low-marine terrace	Low hazard area underlain by flat lying marine terrace materials. Extreme east central and southeast part of property. Suitable for development with recommended setback from western bluff area.
L-ss	Low-soft	Low hazard area underlain by soft organic or clay rich soils. Wet ground conditions with near-surface groundwater. May require groundwater drainage or water control.

L-r Low-rock Low hazard areas located on rocky points at the northwest and southwest portions of the property. Bedrock is close to surface and composed of hard, well indurated volcanics. Hazards include rock failure on or close to vertical or steep slopes. Suitability for development will require some recommended setbacks from steep slopes and or some localized rock bolting.

CLASS II, MEDIUM HAZARDS

M-rs Medium-rock slope Medium hazard area located on steep slopes underlain with thin upper mantle of soil and shale, and bedrock or hard, well indurated volcanics. Site development will require some site specific recommendations with respect to placement of structures on top the hard volcanic bedrock and the associated site preparations. Bedrock may require some rock bolting in areas of localized higher hazards.

M-rmt Medium-rock & marine terrace Medium hazard area located on top ridgeline area east and behind rocky point at southwest part of property. This area is underlain by combinations of rocky bedrock exposed at the surface and surrounded by thicker sections of marine terrace materials. Hazards include some brittle areas of bedrock units of moderately high foundation strengths. Development will require some engineering geology subsurface exploration to provide adequate recommendations with respect to foundations, and other construction.

M-mt Medium-marine terrace Medium hazard area located on a bench slightly lower in elevation and west of the L-mt area mentioned above. This area is a bench underlain with marine terrace materials and may represent an older translational slide. Will require subsurface exploration to determine stability before development.

M-srs Medium-shale & rocky slope Medium hazard area located south of the M-rmt area in the southwest corner of the property. This area is underlain by some small to large boulders (10' to 15' diameter) which are surrounded and separated by shale. The boulders are composed of hard and dense volcanics, sandstones and pebblestone, whereas the shale is composed of soft to extremely friable dark colored shale/siltstone which weathers to clay. This area will require subsurface exploration to determine locations of boulders and soft shales with respect to stability before development suitability can be determined.

CLASS III, HIGH HAZARDS

H-s High-shale High hazard areas, underlain predominately by shale or siltstone bedrock with occasional large volcanic boulder as talus resting on shale/siltstone bedrock. This area occurs in the bowl shaped area in the central part of the property and in some smaller bowls in the southwest corner. Hazards include landslides, weak slope and bedrock strengths, excessive water with numerous springs and creeks and toe slope erosion caused by the ocean. Areas of High-shale hazards or labeled H-s are believed unsuitable for most development. Roads or utilities may find suitability in some special locations such as at the ridge in the northwest corner and along or adjacent to some lesser hazard areas in the southwest part of the property. Development use of H-s areas will require subsurface exploration before determination of the above mentioned hazards and the associated risks can be evaluated.

H-r	High-rock	High hazard area located at the extreme northwest corner of the property and underlain by hard dense volcanic bedrock. This area is separated or has a large fracture traversing along an east to west direction, from the L-r and M-rs areas adjacent and to the south. This large and deep fracture runs through the bedrock and has some major rock failures in the north end of the L-r area. This H-r area is believed unsuitable for development.
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TRANSITIONAL CLASSES

L-M	Low-Medium	Low to Medium hazard area located in transitional area between upper marine terrace and lower bench in the southeast part of the property. Development suitability will require some subsurface exploration with respect to placement of structures and some geologic recommendations. Suitability of this area is similar to L-mt on eastern margin and similar to M-mt on western margin.
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L-H	Low-High	Low to High hazard area located in setback zone behind upper bluff edge, east and above areas of high slope hazard area. The L-H area is similar on its eastern margin to the L-mt or L-ss areas and similar to the H area on its western margin.
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Each of the above classes and subclasses may grade into and may contain small areas of any other adjacent or separate class. These areas were either too small to map separately, hidden in the dense vegetation, or were covered by soils and vegetation that did not allow for site reconnaissance without the use of exploration equipment.

7.0 Conclusions

The geology and associated hazards at the property are, for the most part, related to bedrock types and structure, deformation fabrics in the bedrock and soils, slope angle and aspect, influence of groundwater and the processes of shoreline erosion caused by the ocean. Areas of the property with some High hazards of slope instability are generally located in the bowls and underlain by weak soil and bedrock materials, these areas are generally unsuitable for most development. Areas of some Medium hazards and those in Transitional areas have variable conditions and may

present some small to large development difficulties. Areas of Low hazards are located on top hard and dense bedrock units such as on the headland areas, or on top undisturbed areas of the marine terrace at the upper elevations at the east part of the property. Low hazard areas are believed suitable for development.

8.0 Recommendations

Because the site has considerable complexities of geology and resulting logistics for development, we recommend that coordination among members of the site development team be implemented early in the project to maximize development potential while minimizing hazards and development costs.

9.0 Limitations

Our investigation was based on geological reconnaissance and available published information. The data and recommendations presented in this report are believed to be representative of the site. The conclusions and recommendations herein are professional opinions derived in accordance with current standards of professional practice and not warranty is expressed or implied.

This report is for the sole and exclusive use of the client. Any reuse or third party use of this information requires the written authorization of H.G. Schlicker and Associates, Inc.

It has been our pleasure to serve you. If you have any questions concerning this report or the site, please contact us.

Respectively submitted,

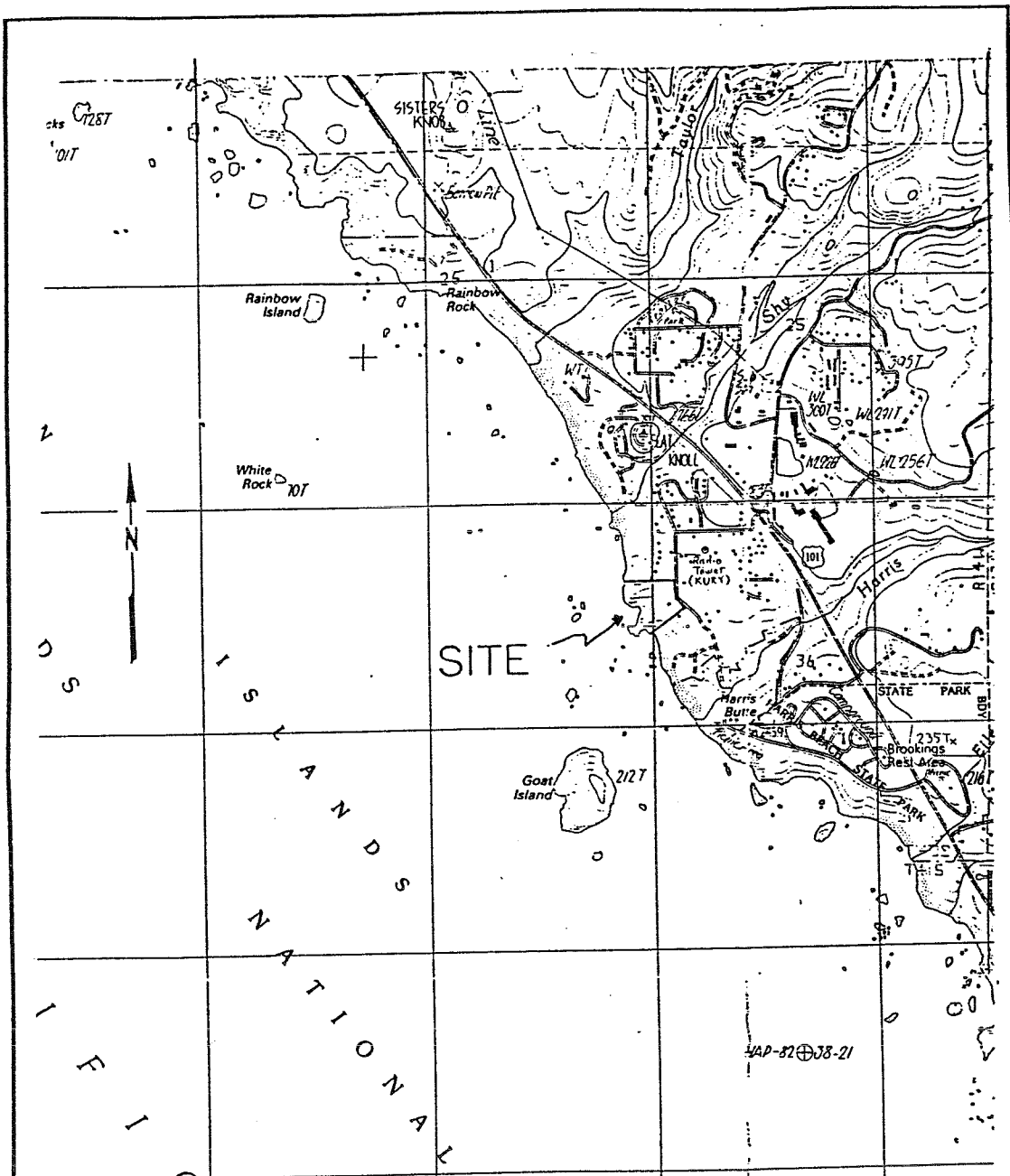
H.G. SCHLICKER AND ASSOCIATES, INC.



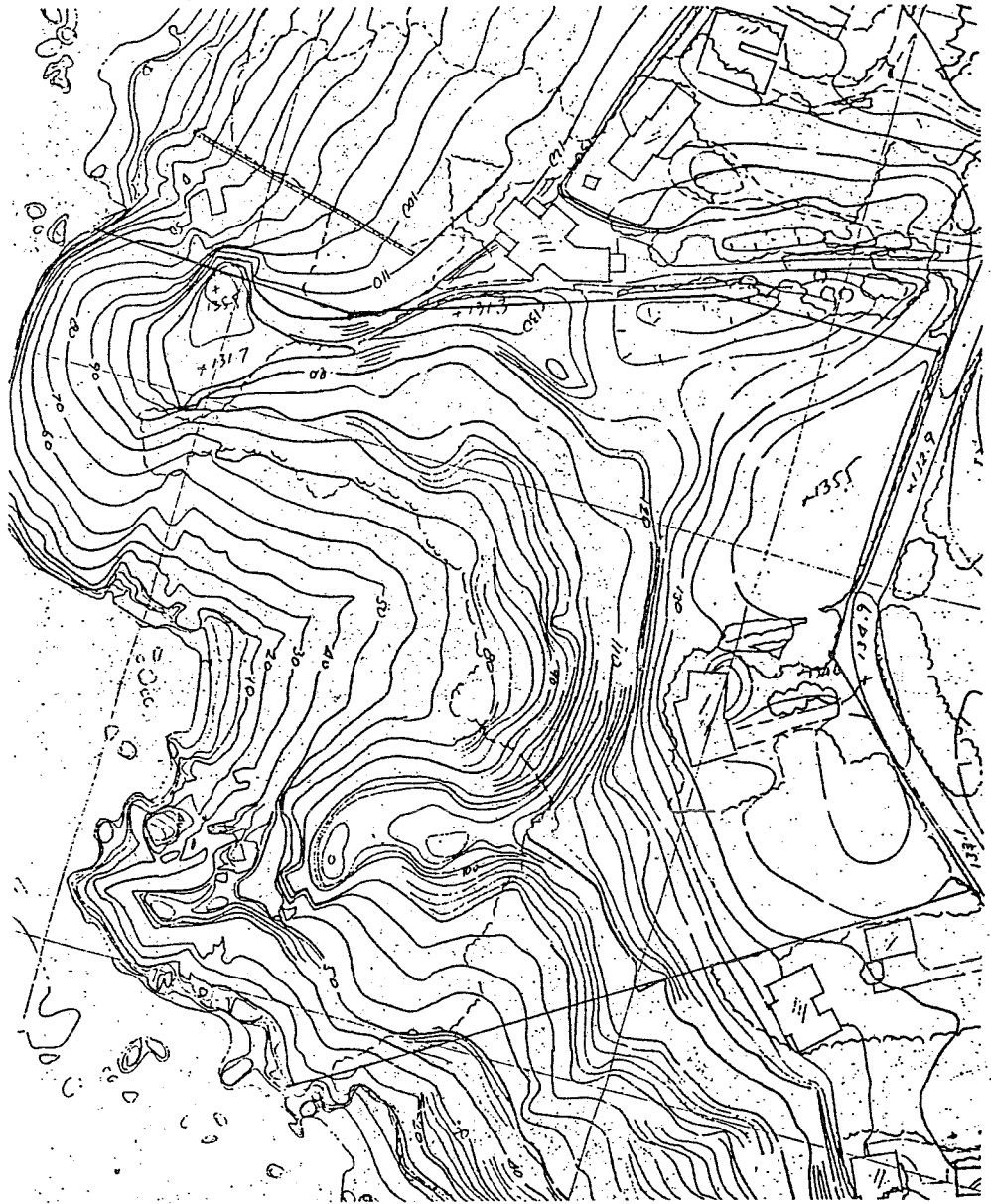
J. Douglas Gless, P.G., C.E.G.
Vice President
Principal Engineering Geologist

Russell Ralls, P.G.
Project Geologist

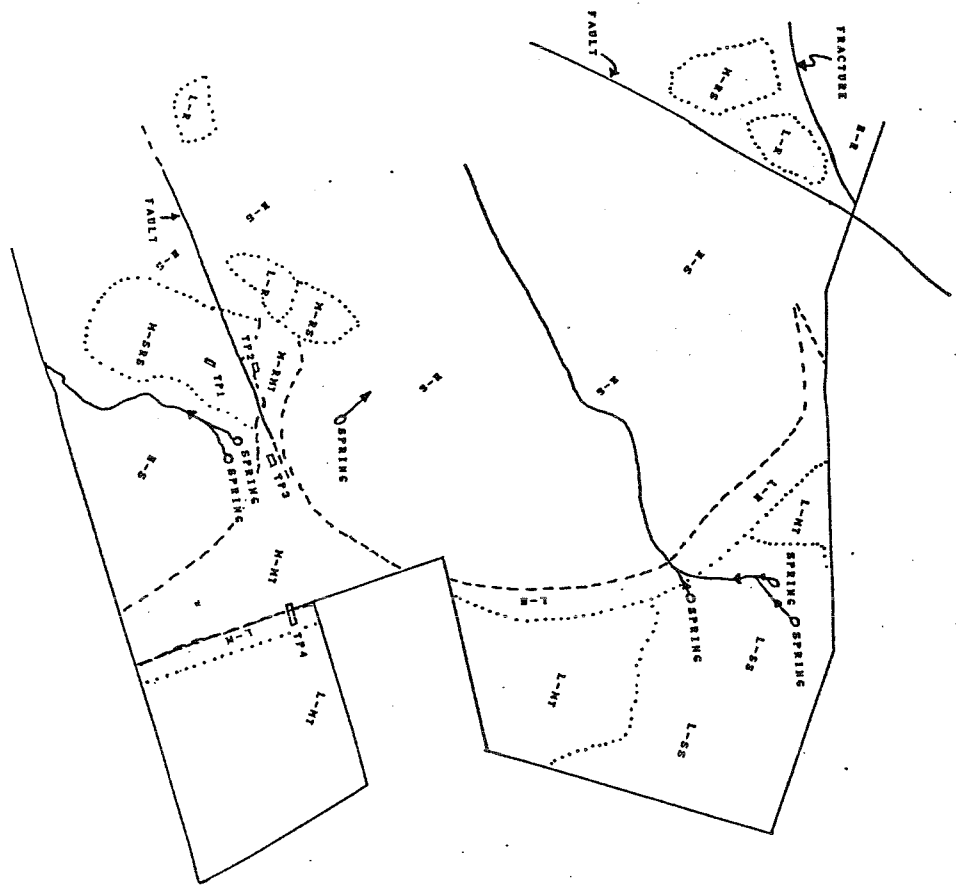
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Date: 12/11/92	Project #92-966	Approved By: JDC
Scale: 1"=2000'	<p align="center">Site Map Parcel 2, Tax Lot 1100 Brookings, Oregon</p>	
H.G. Schlicker & Associates, Inc.		Figure 1



Date: 12/11/98	Project #92-966	Approved by: JAC
Scale: 1"=100'		
Topography Map Parcel 2, Tax Lot 1100 Brookings, Oregon		
H.G. Schlicker & Associates, Inc.		Figure 2



Date: 12/11/92	Project #92-966	Drawn by: CEC
Scale: 1"=100'		Approved by: JSC
Hazard Map Parcel 2, Tax lot 1100 Brookings, Oregon		
H. G. Schlicher & Associates, Inc.		Figure 3

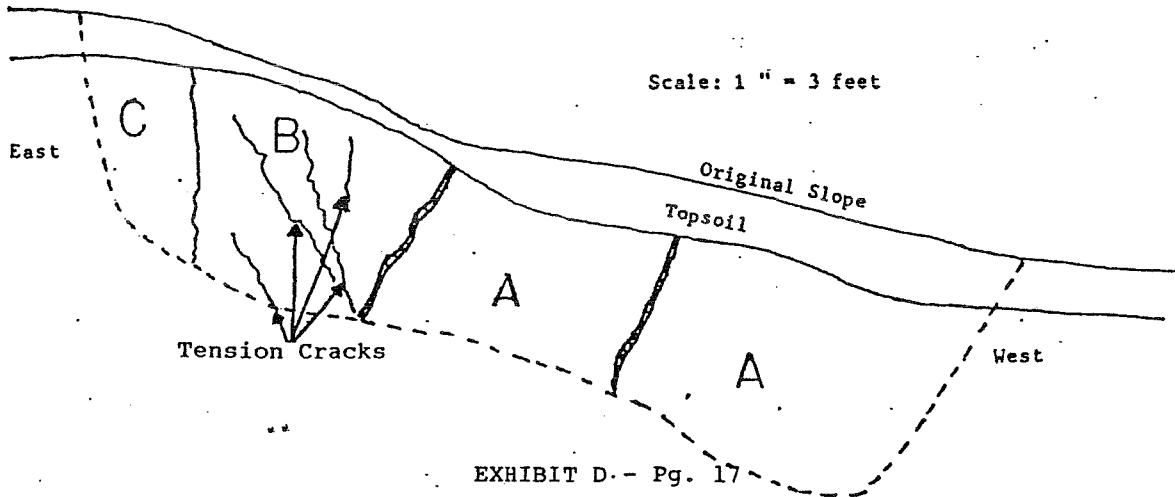
TEST PIT LOGS

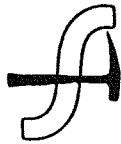
<u>Test Pit #1</u>	<u>Material Description</u>	<u>USCS Type</u>
0.0-0.5 feet	Topsoil, dark/medium brown, sandy, organic.	Sandy Peat
0.5-2.0 feet	Sand/rounded gravels and cobbles and boulders, yellow-brown, unconsolidated, loose.	SW/GW
2.0-5.0 feet	Shale/Clay, dark grey, graphitic, soft, highly plastic.	GC/CH
<u>Test Pit #2</u>	<u>Material Description</u>	<u>USCS Type</u>
0.0-0.5 feet	Topsoil, dark/medium brown, sandy, organic.	Sandy Peat
0.5-8.0 feet	Sand, yellow-brown, unconsolidated, loose.	SW
8.0-9.0 feet	Sandstone/Conglomerate, bedrock, variegated, varicolored, hard, dense.	Cemented GW
<u>Test Pit #3</u>	<u>Material Description</u>	<u>USCS Type</u>
0.0-1.0 feet	Topsoil, dark/medium brown, sandy, organic.	Sandy Peat
1.0-5.0 feet	Sand, yellow-brown, unconsolidated, loose.	SW

TEST PIT LOGS

<u>Test Pit #4</u>	<u>Material Description</u>	<u>USCS Type</u>
<u>Zone A</u>		
0.0-2.0 feet	Topsoil, dark brown, sandy, organic.	Sandy Peat
2.0-5.0 feet	Sand, yellow brown, soft, unconsolidated large cracks perpendicular to slope.	SW
<u>Zone B</u>		
0.0-0.7 feet	Topsoil, dark brown, sandy, organic.	Sandy Peat
0.7-5.0 feet	Sand/iron cemented sandstone, reddish to yellow brown, fragmented cemented sands in matrix of loose unconsolidated sands, cracks parallel to slope.	SW
<u>Zone C</u>		
0.0-2.0 feet	Topsoil, dark brown, sandy, organic.	Sandy Peat
2.0-5.0 feet	Iron Cemented sand, reddish-brown, firm, no major crack or fractures.	SW

Test Pit 4





H.G. Schlicker & Associates, Inc.

235 N.E. 122nd Avenue, Suite 300 • Portland, Oregon 97230
(503) 257-9666

Project #92-966

January 8, 1993

To: Mr. Michael F Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256

Subject: Addendum to report of December 14, 1992
Engineering Geologic Report on Parcel 1,
Tax Lot 5300 and 100, Section 36, T.40S., R.14W., W.M.
City of Brookings, Oregon

Dear Mr. Gorski:

The following letter report briefly addresses the geology of parcel 1 comprised of T.L. 5300 and 100, and should be included as an addendum to our report of December 14, 1992.

The purpose of this addendum is to address the geology of parcel 1, located east of Dawson Road, with respect to your proposed development.

Parcel 1, shown on Figure 1 (attached), is located east of Dawson Road a substantial distance from the edge of the bluff and entirely on the Marine Terrace, as a result, the associated geologic hazards are limited and this area was not addressed in our geologic report of December 14, 1992. Nevertheless, some geologic conditions with respect to Parcel 1 east of Dawson Road should be considered during your development planning.

The property is not ocean front and is separated from ocean front slopes by several hundred feet. The topography is nearly flat with a gentle southwest trending slope of about 3% which is covered mostly with various grasses.

The southwest border of the property abuts Dawson Road, and because Dawson Road was constructed above the surrounding terrain, a slight depression or lower lying area exists along its margins. This low lying area next to Dawson Road can accumulate standing water during heavy or prolonged rainfall. Apparently, existing ditches and culverts are inadequate to provide proper drainage.

Soils at the site consist predominately of the Blacklock fine sandy loam in areas of slightly higher elevations, and of Ferrelo loam in the lower lying areas. Subsurface exploration was not conducted, therefore, SCS soils information represents the extent of our knowledge of subsurface conditions. Before drainage plans are implemented, we recommend that subsurface exploration be conducted to determine groundwater conditions.

• •
GEOLOGISTS • ENGINEERS • ENVIRONMENTAL SCIENTISTS

EXHIBIT D - Pg. 18

It is further recommended, that load bearing capacities of the soils be determined after initial site planning by exploration at the appropriate development sites. This should be done prior to actual construction.

The property does not appear to present significant geologic hazards except for regional seismic hazards, and we believe that the property is suitable for residential development.

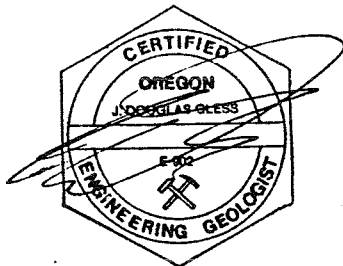
This addendum was based on preliminary reconnaissance, the review of our report of December 14, 1992, and limited published geologic literature. The contents of this letter and recommendations are believed to be representative of the property. The findings and recommendations presented herein are professional opinions derived in accordance with current standards of professional practice and no warranty is expressed or implied.

This letter report is for the sole and exclusive use of the client. Any reuse or third party use of this information requires the written authorization of H.G. Schlicker and Associates, Inc.

It has been a pleasure to serve you. If you have questions concerning this letter or the site, please contact us.

Respectively submitted,

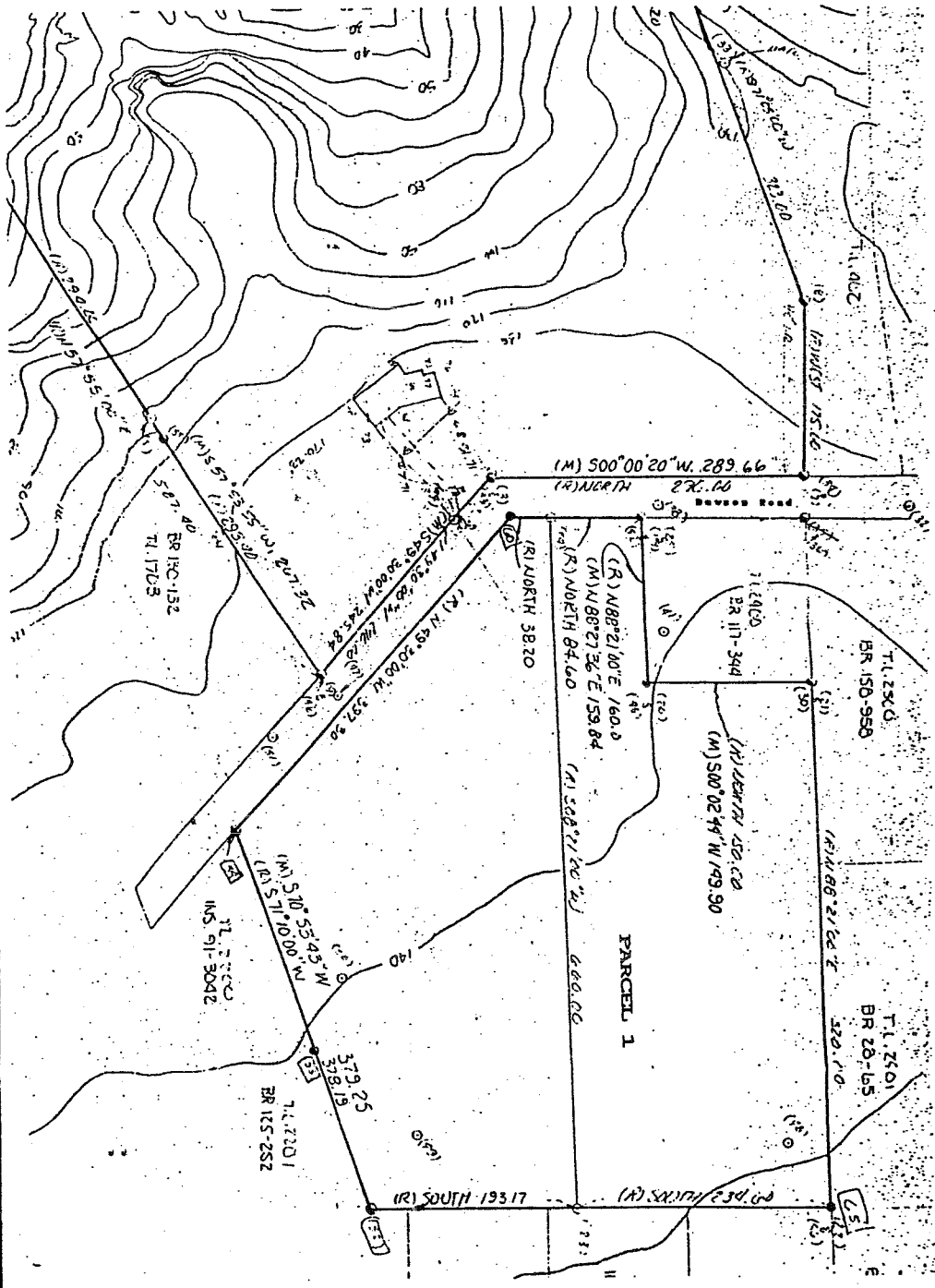
H.G. SCHLICKER AND ASSOCIATES, INC.



J. Douglas Gless, P.G., C.E.G.
Vice President
Principal Engineering Geologist

Russell Ralls, P.G.
Project Geologist

JDG:cec



Date: 1/7/99	Project #92-966	Approved: B.T. JBC
Plat Map		
Parcel 1, Tax Lot 3500 and 100		
Sec. 36, T. 40S., R. 14W., W.M., Brookings, Oregon		
H.G. Schlicker & Associates, Inc.		Figure 1

TERRA FIRMA GEOLOGIC SERVICES

RON SONNEVIL Engineering Geologist
27766 Hunter Creek Road, Gold Beach, OR 97444
(503) 247-2091

DATE: June 15, 1993

FROM: Ron Sonnevil, Engineering Geologist

TO: Mike Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256

SUBJECT: Harris Beach Property.

INTRODUCTION

This report documents a geologic investigation conducted on May 11, 17, 25 and June 9, 1993. The area includes Tax Lot 5300, 40-14-36 BB and Tax Lots 100, 1100, and 1500, 40-14-36 BC and is located off of Dawson Road, Brookings, Curry County, Oregon.

The purpose of the investigation was fourfold: 1) to determine causes and recommend a solution for high water on the east side of Dawson Road, 2) to determine causes and recommend solutions for high water conditions on the west side of Dawson Road, 3) to assess the stability of stream channels draining the area and evaluate the potential for increased runoff from the proposed subdivision to impact to channel stability, and 4) to determine the suitability for a drainage pipe to be constructed across down the slope and discharge runoff onto non-erodible rock near the beach. The investigation consisted of inspection of aerial photographs, site mapping, and examination of soils and groundwater conditions in hand augered test holes and backhoe pits.

SITE CONDITIONS

The geology of the area has been described in two other reports by Busch Geotechnical Consultants (1992) and H. G. Schlicker and Associates, Inc (1992). The reader is referred to these reports for a more detailed discussion of the general geology and geomorphology of the site. In general, the property includes a gently sloping Pleistocene age marine terrace at an elevation of approximately 140 feet and a slope which extends from the terrace to the beach. The depth of the terrace deposits was not precisely determined. A backhoe trench dug to a depth of 15 feet did not reach the base of the terrace deposits. The depth of terrace deposits on other projects I have worked on in the Brookings area has ranged from 10 to 15 feet, thus, I am assuming that the depth of terrace deposits at this site is not much greater than 15 feet and probably less than 20 feet. Two prominent points, composed of resistant sandstone are present on the parcel. Between the points is a poorly incised bowl shaped drainage which is a landslide feature. Landslide movement within the drainage appears to be a complex combination

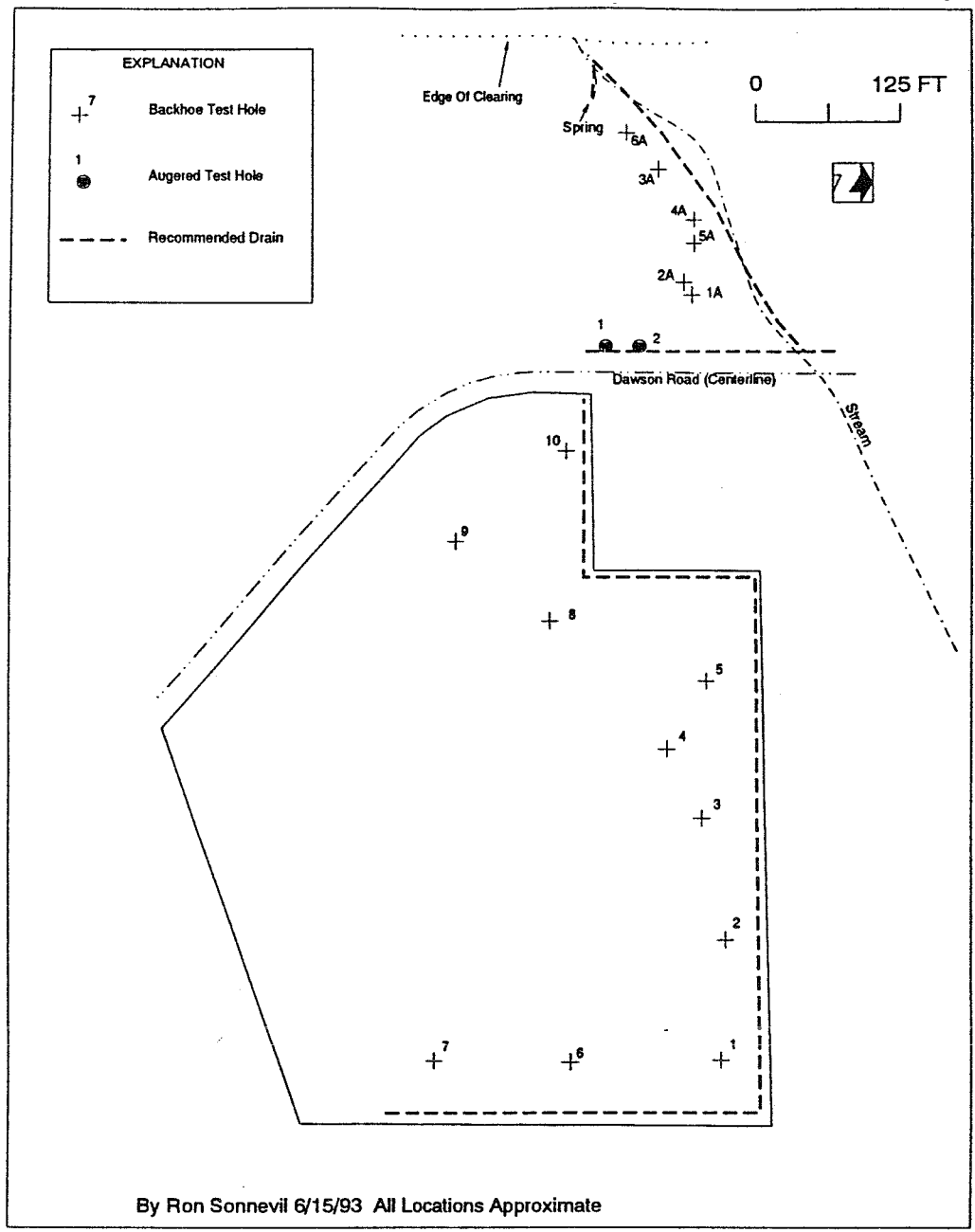


Figure 1. Map of Gorski property at Harris Beach showing location of test holes and proposed drains.

of movement of terrace sands on top of the bedrock as well as failure within the bedrock itself. The upper portions of the bowl contains major benches which represent slump blocks separated by steep pitches which are scarps. The lower portion of the bowl consists of a nearly uniform 20 degree slope of sandstone blocks in a sheared mudstone matrix. This steep lower portion of the slope represents the toe of the large, complex landslide feature.

GROUNDWATER ISSUES

Groundwater Conditions on the East Side of Dawson Road

Portions of the investigated property east of Dawson Road are saturated to the ground surface during the wet season and a flooded area develops in the lowest part of the property immediately adjacent to and upslope of Dawson Road. A reconnaissance conducted of the property after a series of storms in early May, 1993 showed water ponded to a depth of 1 to 2 feet and saturated conditions at the ground surface extending well beyond the north boundary of the parcel all the way past the radio tower. A series of backhoe trenches (Figure 1) were dug to investigate the soil and hydrologic conditions on the property. Soil conditions observed in the backhoe trenches on the east side of Dawson Road are summarized in Table 1. The backhoe trenches showed that much of the property contains one or two iron cemented hardpans at depths ranging from 2 to 8 feet below the ground surface. The hardpans are impermeable and function as aquacludes. These aquacludes produce a perched water table close to the ground surface. Below the hardpans are poorly cemented, well drained terrace sands which were not saturated during the investigation. The thickness and depth of the hardpans observed was not uniform on the parcel, nor was their presence ubiquitous. Many of the trenches contained 2 hardpan layers but some of the trenches contained only one thick hardpan where apparently two hardpans had coalesced into one mass.

It is my opinion that the high groundwater conditions present on the east side of Dawson road result because of the shallow hardpans present on much of the property. The hardpans produce a shallow, perched water table which inundates the ground surface during wet periods. The slope of the property drains to the area which is often ponded adjacent to Dawson Road. There is no culvert present at this location and the water temporarily ponds until it can drain through or beneath the road fill. A culvert installed through Dawson Road at this point will eliminate most, if not all of the ponding, however, the culvert will not eliminate the saturated ground conditions which result because of the hardpan. The shallow hardpan apparently extends for a considerable distance east and north of the property boundary and much of the water which is causing the saturated conditions on the parcel is coming from outside of the property. An appropriately constructed curtain drain along the parcel boundary will intercept groundwater being transported from outside the parcel and should significantly reduce the amount of water which can saturate the ground. The drain should be constructed to begin near Test hole #7, run east and then north along the property boundaries and then tie into the storm drain system. A recommended route is shown in Figure 1. Elevations of the trenches and relevant aquacludes are given in Table 2. The elevations of the aquacludes given in Table 2 are the minimum elevations required for the bottom of the drain to be effective at each site.

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TRENCH	DEPTH (FT)	DESCRIPTION
1	0-1.5	Soil Profile--water perched at bottom
	1.5-3	Strong Hardpan
	3-3.5	Silty Sand
	3.5-4.5	Weak Hardpan
	4.5-9	Slightly Cemented Medium to Coarse Sand, Local Fe Cement
2	0-2	Soil Profile, saturated
	2-6	Hardpan
	6-10	Cemented Sand
3	0-3	Soil Profile, water at bottom
	3-6	Hardpan
	6-9	Cemented Sand
4	0-1.5	Topsoil (A horizon)
	1.5-2.5	Mottled Soil B-horizon
	2.5-6	Hardpan
	6-7	Cemented Sand
5	0-5	Soil Profile
	5-6	Cemented Sand
6	0-1.8	A-horizon
	1.8-2.5	Mottled B horizon Water in Pipe Holes at Bottom
	2.5-5	Hardpan
	5-6	Cemented Terrace Sand
7	0-4	Soil Profile Wet at Bottom
	4-5	Hardpan
	5-6	Cemented Terrace Sand
8	0-3	Soil Profile
	3-4	B-Horizon With Weak Hardpan
	4-6	Cemented Terrace Sand
9	0-3.5	Soil Profile
	3.5--4	Sand With Silt Wet at Bottom
	4-5	Hardpan
	5-8	Cemented Terrace Sand
	8-8.5	Hardpan
10	8.5-15	Terrace Sand Bottom 2 Feet Saturated
	0-4	Soil Profile
	4-6	Sand
	6-7	Hardpan
	7-8	Sand, Saturated
	8-8.5	Hardpan
	8.5-10	Sand, Hole Flooded by Water From Above Hardpan

Table 1. Descriptions of soils encountered in test pits east of Dawson Road.

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The recommended drain should greatly reduce the amount of water which can cause saturated ground conditions. However, because much of the parcel is underlain by a shallow hardpan, rainfall which falls on the parcel may cause local wet ground conditions. To avoid this it may be necessary to construct additional drains through the hardpan around individual building sites or parcels. These smaller drains simply have to be trenches which break through the hardpan(s) and backfilled with permeable material, allowing the perched water to infiltrate past the hardpan and into the permeable terrace sands. There should be no need to transport the intercepted water off of the individual sites.

Trench	Ground Surf Elevation	Elevation at Top of Relevant Aquaclude (Hardpan)
1	149	147
2	146	144
3	144	141
4	142	139
5	142	N/A
6	146	142
7	147	144
8	136	133
9	132	128
10	132 (estimate)	122

Table 2. Elevations of trenches and relevant aquacledes on property east of Dawson Road

Backhoe trench #10 differed significantly from the other trenches (Table 1). Trench 10 encountered a large amount of water approximately 8 feet below the ground surface and it is unclear what the relationship this water has with groundwater conditions on the remainder of the property. My preliminary opinion is that the water in trench #10 is related to the stream and saturated area north of the parcel and the groundwater is flowing both south as well as west. The safest way to deal with this water is construct the drain deep enough to intercept it and transport it off of the parcel. Alternatively, I could do more exploratory trenching to identify the source and transport direction of the water.

Groundwater West of Dawson Road

A series of backhoe and hand augered test holes were dug on the west side of Dawson Road to investigate the causes for elevated groundwater conditions in that area. This area was more difficult to investigate because there was much more water present than east of Dawson Road and the terrace sands are not nearly as well cemented as east of the road. Thus, backhoe trenches collapsed nearly as fast as I could get out of them. The area investigated is adjacent to a stream channel which drains a large area east of Dawson Road. The portion of the stream channel within 150 feet of Dawson Road has a very low gradient and the water barely drains from the site. A

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TRENCH	DEPTH (FT)	DESCRIPTION
1A	0-3	Top Soil with fill?--saturated
	3-4	B-Horizon weak hardpan at bottom hole collapsed below 4 feet
2A	0-2.5	Soil Profile, lots of water
	2.5-3	Sand
	3-3.25	Discontinuous hardpan
	3.25-3.5	Loose Sand
3A	0-3	Soil Profile
	3-4	Gray silty sand with Fe stain at bottom
	4-6	Loose Sand, local pebbles
	3-6	Fe-cemented pebble conglomerate, perches water
4A	7-9	Sand with gravel at bottom
	0-2.5	Soil Profile
	2.5-4	Sand, slight cement
5A	4-5	Cemented conglomerate with perched water
	0-2	Soil Profile
	2-2.25	Fe-cement hardpan (weak)
6A	2.25-4	Loose Sand (dry)
	0-1.5	Soil Profile
	1.5-2.5	Loose sand
	2.5-3.5	Cemented conglomerate
	5-6	Sand with grave and cobbles
Auger Hole		
1	0-2.5	Soil Profile
	2.5-6	Loose sand saturated 3 feet below ground surface
	6	Hardpan
2	0-2.5	Soil Profile
	2.5-8	Loose sand saturated 5 feet below ground surface
	8	Cemented conglomerate? with rhyolite pebbles

Table 3. Descriptions of soils encountered in test pits and auger holes west of Dawson Road.

Trench	Ground Surf Elevation	Elevation at Top of Relevant Aquaclude
1A	125	121
2A	126	123
3A	123	117
4A	124	120
5A	125	123
6A	119	116
Auger Hole		
1	129	121
2	127	121

Table 4. Elevations of trenches and relevant aquaccludes on property west of Dawson Road

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summary of the backhoe and auger holes west of Dawson Road is shown in Tables 3 and 4. In all of the trenches some sort of aquaclude was present. In contrast to the area east of the road the hardpan west of the road is much less well cemented and locally consists of a conglomerate. Nonetheless, the hardpan and conglomerate are sufficiently cemented to perch water. The aquacludes west of the road have two general elevations, the western two trenches showed elevations of 116 to 117 feet while the area closer to the road had elevations between 121 and 123. This later elevation is similar to the elevation of the aquaclude present in trench #10 east of the road, further evidence of the connection between the area east and west of the road.

In my opinion the area west of the road is being fed by water from two sources: 1) the stream channel to the east and 2) groundwater seeping from east of Dawson road beneath the road. This area should be able to be drained by a curtain drain extending along the west side of Dawson road and draining into a French drain which extends down the stream channel. The elevation of the bottom of the drain should be at 120 feet or lower near auger hole #1 and maintain an adequate grade to ensure free drainage. The bottom of the drain near Trench 6A should ideally be at 110 feet or lower. The outlet of the drain can extend for a considerable distance down the stream channel to avoid erosion of the channel banks. There is a tributary channel/spring south of the existing channel which should also be drained with a French drain approximately 20 feet long and routed into the main drain.

There will be a considerable amount of fill above the outlet of the drain and it is possible that perched groundwater from the south may be introduced into the fill above the French drain. To ensure that the fill does not erode by piping the fill face in this area should be faced with geotextile and then covered with a rock.

It is proposed that the low area west of the road in the vicinity of the test holes be filled to a grade even with the rest of the parcel in that area. There is 2-4 feet of poorly drained, organic rich muck in this area which should be removed from the site. After muck removal, the area can be appropriately graded to drain to the west and filled. The lower portion of the fill should be granular and free draining to a depth of at least 3 feet. The granular material should be covered with a suitable non woven geotextile which can be covered with fill and appropriately compacted.

ALTERNATIVES FOR STORM RUNOFF DISCHARGE

North Channel

The stream channel which drains the bowl was walked to assess the stability of the channel and to determine the potential for an increase in discharge to accelerate channel erosion. A thalweg profile of the channel is shown in Figure 2. The north stream below the graded area has two general morphologies. The upper portion of the channel has a gradient ranging from 7 to 12 degrees with a channel width of 3 to 5 feet. This upper portion of the channel locally has a well developed channel armor consisting of cobbles and rock with major rock controlled knickpoints punctuating the thalweg profile. The stream banks in the upper reach are composed of loose terrace sand which are highly erodible. The stream is not well incised and is more like a gully with

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3 to 6 foot high (locally 10 foot) banks. Banks have stream adjacent slopes of 20 to 40 degrees. The lower portion of the profile has a gradient of 20 to 30 degrees. The lower reach has minimal stream channel armor and the banks are landslide debris consisting of sandstone blocks in a sheared mudstone matrix. The lower reach of the stream is eroding much more actively than the upper reach.

It is estimated that storm water and groundwater drained from the development will increase the 25 year discharge of the stream from 17 cfs to 34 cfs. This increase in discharge will accelerate bank erosion on the upper portion of the stream and stream downcutting in the lower portion of the stream channel. It is impossible to quantify the absolute impact that the accelerated erosion will have on the stability of the bowl, however, it is safe to assume that increased erosion will decrease stability. Impacts can be decreased by routing the discharge down a pipe along or adjacent to the channel bottom or armoring the banks of the stream channel with rocks and boulders to prevent erosion from scouring and undermining the slopes, particularly in the area closest to the planned homesites. There is no excess rock available in the channel to armor banks with so all rock must be imported. A major increase in stream channel downcutting in the upper reach of the stream in response to the increased runoff is unlikely, however, the key to ensuring stream bed stability is the integrity of the knickpoints or channel bedscarps which serve to dissipate the energy of the flowing water. It is critical that these knickpoints not be weakened by construction activities. It will be very difficult to adequately armor the channel in the lower reach because of the steep gradient and erodible materials. Channel armor in this lower reach of the stream will require retention by gabian baskets. An extremely sensitive area is the transition between the steep lower reach and the less steep upper reach. This transition point should be heavily reinforced to prevent its upslope migration.

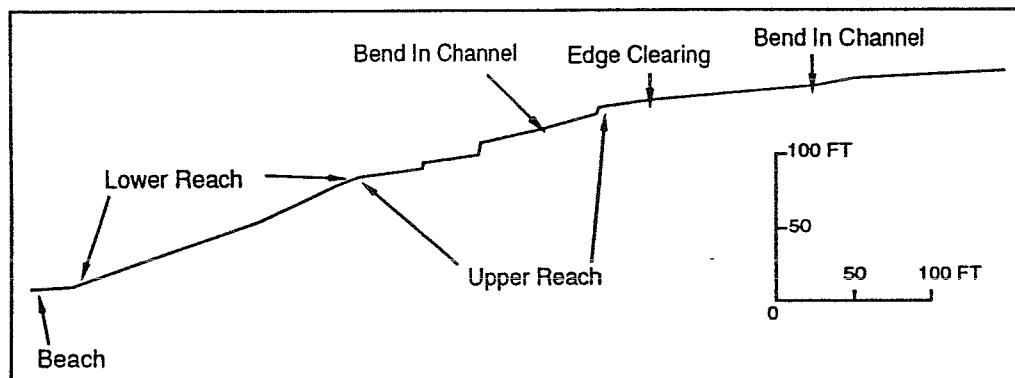


Figure 2. Thalweg profile of stream draining Gorski property at Harris Beach.

An alternative is to place a flexible drain pipe down the channel bottom or along the channel side slope. Although this may be possible it will be difficult to maintain any sort of uniform grade

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because of the non uniform stream channel and abundant knickpoints. Anchoring a drain pipe along the side of the channel will be difficult because of the loose, sandy material which comprise the stream banks. If a drain pipe is installed along the channel it must be regularly inspected and maintained and care must be made during installation to ensure that the knickpoints are not weakened.

There is a large boulder which constricts the channel at the base of the cleared area. It is recommended that either the boulder be moved or the channel be re-aligned to allow more room for the increase in discharge. This work should be accompanied by appropriate placement of rock or boulders to armor the stream banks in this area.

South Stream

A stream south of the property was examined to determine the potential for increased discharge to accelerate erosion. The south stream is much more like a gully than the stream on the property. This south stream contains very little channel armor and, in my opinion, is much more susceptible to accelerated erosion caused by an increase in discharge. Erosion which would occur would be on adjoining parcels not involved in the planned development and the implications for major liability problems are obvious. It is recommended that no additional discharge be introduced into this stream.

Stability of Bowl

The bowl between the points was examined to determine the feasibility of transporting development generated storm runoff across it via an open gabian lined ditch or a drainpipe. In my opinion the only potential routes for this are on the lateral boundaries of the bowl. Both sides of the bowl were examined and they were found to contain numerous scarps which appear to have been recently active (within the last ten years and probably more recent). In my opinion any kind of a drainage structure across these slopes will have a high risk of failure and require extensive maintenance. The most stable route is along the flank of the ridge on the south side of the bowl but there is still soil movement present in this area. A drainage structure in this area will have to be a pipe which will require hand installation for much of its length. The supporting brackets for the pipe will require extensive drilling of the sandstone rock and stainless steel bolts epoxied deep into stable sandstone bedrock. In one locality drilling will have to be performed through soil of an unknown depth which has recently moved. If the pipe were to be constructed along this route then the outlet could be discharged safely onto the large boulders at the base of the ridge on the south side of the bowl.

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CONCLUSIONS AND RECOMMENDATIONS

All of the site specific recommendations in this report are contained in the sections where the relevant issues are discussed. A summary of the recommendations is given here but the reader is referred to the appropriate section for more site specific information.

1. Flooding and high water conditions on the east side of Dawson Road are caused by the combination of groundwater perched on top of a shallow hardpan (aquaclude) and lack of a culvert on Dawson Road. A curtain drain is recommended along most of the east and north boundaries of the property. Specifics of the drain are given in the appropriate section. A culvert is also recommended across Dawson Road at the low area.
2. Poorly drained conditions west of Dawson Road result from a hardpan which ranges in elevation from 123 to 117 feet. Water is entering the area as surface runoff transported by the stream to the east and as groundwater perched on the aquaclude which seeps beneath the road. A curtain drain along the west side of Dawson Road which ties into a French drain with an appropriate grade along the channel alignment should sufficiently drain the area. Details of the recommended drain are given in the relevant section. Another French drain should be constructed at the spring which forms a small tributary to the main channel (see Figure 1 and appropriate section). The outer edge of the fill over the drains should be protected from erosion and piping by a layer of non woven geotextile covered by a rock as described in the appropriate section.
3. The low wet area west of Dawson Road should be scraped clean of the poorly drained, organic rich muck prior to filling. After scraping, the area should be filled with at least 3 feet of free draining granular material capped by a non woven geotextile before placement of the final, appropriately compacted fill.
4. The stream channel which drains the bowl is capable of withstanding an increase in discharge, however, doubling the discharge will accelerate bank erosion in the upper reach and channel downcutting in the lower reach. Increased stream erosion can decrease stability of the bowl which may impact the homesites. The channel bed and banks should either be reinforced with rock armor or discharge should be contained in a pipe down the entire length of the channel.
5. In my opinion it is not feasible nor cost effective to route storm runoff across the north bowl in a pipe or in an open gabian lined channel. There is a potential route on the flank of the ridge on the south side of the bowl but this will require an extensive amount of hand labor to construct the structure in an area susceptible to landslide movement.
6. The stream south of the property can experience significant increases in erosion if additional discharge is routed into it. It is recommended that no additional discharge be routed into this channel.

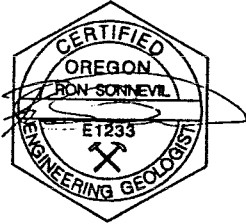
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LIMITATIONS

Recommendations in this report are site specific and apply only to the issues discussed. Other issues, such as the appropriateness of setbacks, are the responsibility of the previous investigators. The recommendations contained within this report are based on the hydrologic conditions interpreted to exist at the time of the investigation and the conditions inferred from the soil and channel conditions existing on the property. The recommendations are based on a current knowledge of hydrology, erosion rates and erosion processes that are interpreted to have historically impacted the area. This report is submitted with the limitation that damage caused by, or associated with, an extreme, historically unprecedented climatic or seismic event is borne by the property owner, and is an inherent risk of development in a geologically active area.

Respectfully,



Ron Sonnevil

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RON SONNEVIL Engineering Geologist
27766 Hunter Creek Road, Gold Beach, OR 97444
(503) 247-2091

DATE: July 19, 1993
FROM: Ron Sonnevil, Engineering Geologist
TO: Michael Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256
SUBJECT: Oceanside Estates, Lot 13

INTRODUCTION

This report documents a geologic investigation conducted on June 30 and July 14, 1993. The area is proposed Lot #13 of the Oceanside Estates Subdivision and is part of Tax Lot 1100, 40-14-36 BC, located off of Dawson Road, Brookings, Curry County, Oregon.

The purpose of the investigation was to address the suitability of the lot for development as a single family dwelling. The investigation consisted of inspection of aerial photographs, site mapping, measurement of ground surface profiles and examination of soils in backhoe dug test pits.

SITE CONDITIONS

The geology of the area has been described in two other reports by Busch Geotechnical Consultants (1992) and H. G. Schlicker and Associates, Inc. (1992). The reader is referred to these reports for a more detailed discussion of the general geology and geomorphology of the site. The proposed lot is located on the western edge of a gently sloping Pleistocene age marine terrace. The west edge of the terrace is bounded by a 35 degree slope which represents the eastern edge of a landslide feature or landslide complex which extends to the beach (Figure 1). The purpose of the investigation was to examine the landslide feature and asses the potential for it to impact a home on the proposed lot.

The terrace surface between the eastern boundary of the proposed lot and Dawson Road is nearly flat, however, near the east boundary of the proposed parcel there is a marked change in slope gradient where the ground surface has a westerly slope of 25 to 30 percent. West of this steeper slope the terrace "benches out" to a 25 foot wide area with a 5 to 10 percent grade before it is truncated by the edge of the landslide (Figure 1). In the H. G. Schlicker and Associates, Inc. (1992) report, written by Gless and Ralls, this bench is hypothesized to be a block which has been dropped down to the west by a landslide

feature which has its headscarp represented by the moderate grade slope separating it from the flat terrace surface to the east. The Gless and Ralls report contains a log of a 5 foot deep backhoe trench dug across this moderate slope showing fractures parallel to the slope which they apparently interpreted to have been caused by landslide movement.

Two forty foot long, 11 foot deep trenches were dug to examine the proposed scarp for further evidence of offset. The sides of these trenches were closely examined for fractures or offsets in layering or stratigraphic units in the subsurface materials. Conditions in each trench were documented on video tape. The trenches contained 3 to 4 feet of soil profile developed on uniform, medium grained sand (SP to SW). Faint layering was locally observed in the sand but, for the most part, the sand lacked layering. A well developed iron cemented hardpan was present in each trench. The hardpan was not uniform but was a zone approximately 3 feet thick and 10 feet wide which tapered to one or two faintly developed hardpan layers 0.5 to 1 foot thick on each end of the trenches. The hardpan formation was related to local subsurface hydrologic conditions which existed several hundred or, perhaps, thousands of years ago. Sand beneath the hardpan is very loose and much less well cemented than above the hardpan. Neither trench displayed fractures in the hardpan or offset of the hardpan layers. Additionally, neither of the trenches displayed fracturing of the subsurface materials or offset layering in these materials.

Three deep pits were dug to determine the nature and depth of the terrace deposits in the area (Figure 1). All three trenches were dug to 18 feet and none of them encountered the bottom of the deposits. Groundwater was found at a depth of about 16 feet in each trench, causing the trench walls to collapse.

The slopes below and west of the edge of the terrace were examined. This area is bowl-shaped and the profile down to the ocean is roughly stair-stepped. The bowl contains a poorly developed channel along its north side. The bowl was examined in an attempt to determine the extent of landslide activity. Numerous break in slopes represent old scarps which separate landslide blocks, however, no fresh scarps or other evidence was found to indicate that the landslide feature has moved in the last few years. Most of the slide is mantled by terrace sand which has either failed and slid on top of the bedrock or has failed with the bedrock. The only exposed bedrock is on the beach at the toe of the slide and it consists of sandstone blocks in a sheared mudstone matrix.

There are two mechanisms for the top of the landslide scarp to migrate east and impact Lot #13: 1) failure of the terrace sands and 2) failure of the bedrock beneath the terrace sands. In order to determine the potential for these processes to occur it is necessary to know the depth of the terrace deposits and the nature of the bedrock beneath the terrace deposits. These two factors can only be determined through drilling.

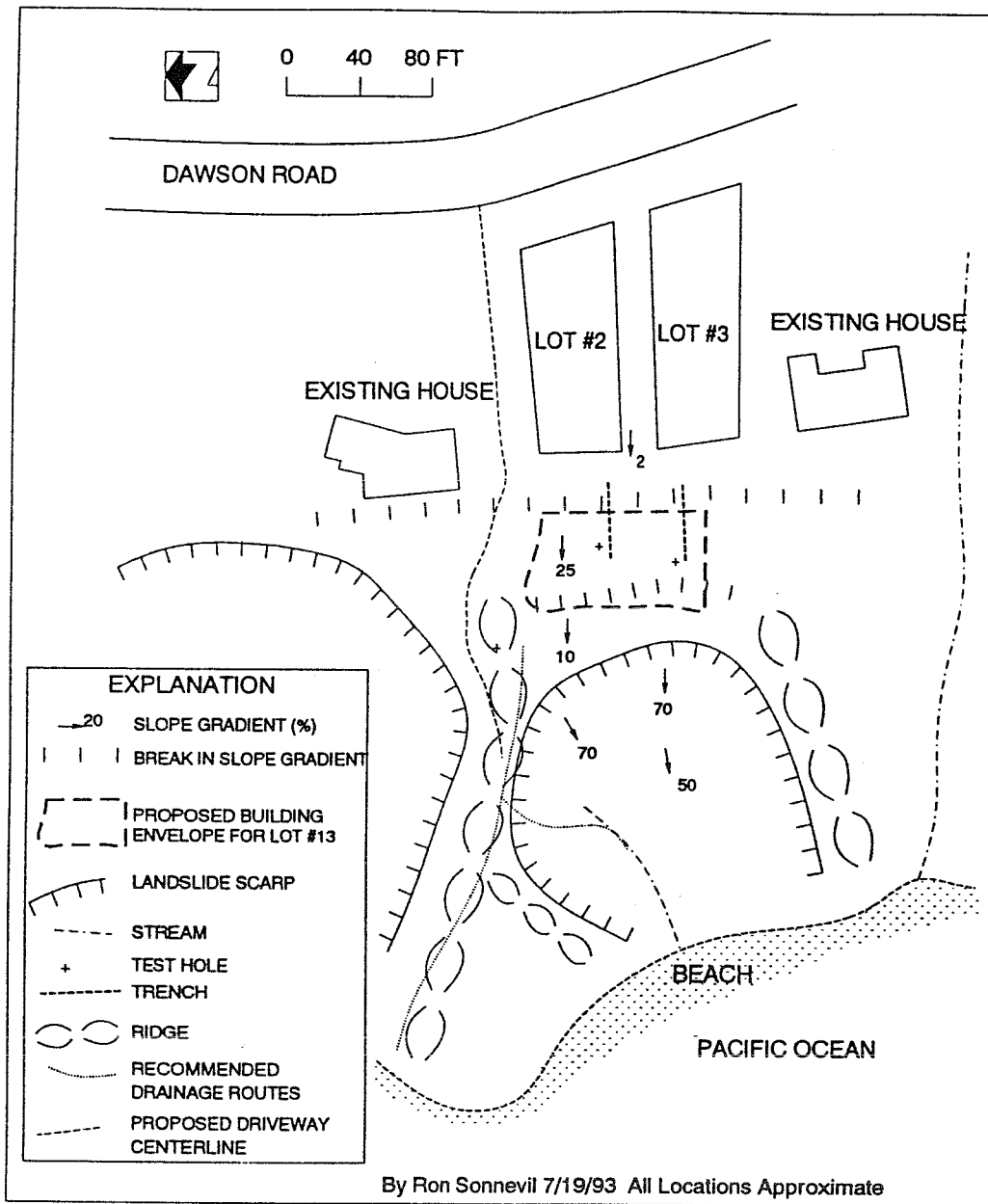


Figure 1. Map of proposed Lot #13 and vicinity, Oceanside Estates, Brookings, OR.

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It is possible to estimate the amount of retreat which the bluff edge will experience if the depth of the terrace sediments is assumed and the terrace sediments fail but the bedrock does not. The cause of failure of the terrace sediments will be either 1) high groundwater resulting from a large winter storm or 2) ground shaking caused by a large nearby earthquake. Assuming typical strength values for the terrace sands a failure resulting from elevated groundwater should cause the landslide scarp to migrate east between 10 and 20 feet. Seismic shaking, however, can cause the landslide scarp to migrate further east, perhaps greater than 30 feet, depending on the severity of shaking and the height of the groundwater table at the time of shaking. The risk of terrace sediment failure to occur can be substantially diminished by reducing the potential height which the groundwater can attain. This can easily be done with a deep curtain drain. The risk of terrace sediment failure impacting the home can also be reduced by founding the structure on drilled piers which extend to and are supported by the top of the bedrock.

CONCLUSIONS AND RECOMMENDATIONS

1. It is my opinion the topographic feature separating the large terrace surface to the east from the bench on Lot #13 was not caused by landslide movement but, instead, was caused by some other geomorphic process not related to landsliding. The extent of landslide activity on Lot #13 is the major break in slope at the head of the bowl or landslide feature west of the potential building site.
2. Without knowing the depth of the terrace deposits and the nature of the bedrock beneath them it is impossible to quantify the risk of the landslide to impact the potential building site. Thus, it is impossible to determine appropriate setbacks and risk factors required for final siting of a home on the parcel. Risk of terrace sediment failure can be greatly reduced through foundation design as well as installation of a deep curtain drain to maintain a shallow depth of groundwater beneath the lot. In my opinion the parcel has a greater than 50 percent chance of being suitable for locating a home on if foundation and drainage mitigation measures are implemented, however, a 30 foot setback from the edge of the landslide feature is the closest I would recommend unless the bedrock is found to be extremely hard and stable beneath the terrace deposits. This setback is likely to increase if unfavorable bedrock conditions are encountered beneath the terrace deposits.
3. Because of a major uncertainty in bedrock conditions beneath the parcel it is recommended that, prior to construction, a geologic investigation be conducted to determine the nature of the bedrock beneath the terrace deposits in the vicinity of the lot. Such an investigation will allow determination of the risk for the landslide to migrate sufficiently east to impact the potential homesite and allow delineation of appropriate setbacks for construction.

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4. At the time of the investigation it was proposed that the elevation of the building pad be reduced by grading to an elevation of approximately 10 feet below the existing ground surface. Such grading should not significantly affect the stability of the parcel if cutslopes are designed to a stable configuration or are reinforced with a retaining structure. Lowering the grade, however, may place the foundation within loose sand which will require a site-specific determination of bearing capacity to assign appropriate foundation loads.
5. Because of the uncertainty in determining a final setback from the edge of the landslide it is recommended that the east boundary of Lot #13 be moved to the east to accommodate the uncertainty in determining a final setback. If the grade of the building site is lowered as proposed then moving the boundary to the east should not significantly impact the view of Lots 2 and 3.
6. Guidelines were requested concerning where to route storm runoff from homesites 2, 3 and 13. It is recommended that this storm runoff, conveyed in a pipe, be routed and discharged in one of two locations. The alternative with the least risk is to route the pipe out the ridge to the point north of the bowl and discharge the water onto non-erodible rocks below the point. The second alternative is to route the pipe along the ridge and down the south facing slope of the ridge into the bottom of the bowl. The pipe should be routed along the existing "channel" for at least 50 feet and then discharged onto a non-erodible surface such as rock or gabian baskets filled with rock. The existing channel has little armor and may experience some scour, depending on the amount of discharge. In my opinion the risk is low that discharge from three homes will cause enough scour to have a major impact on hillslope stability. Containing the runoff all the way to the beach in a pipe is feasible and would eliminate the risk altogether.
7. Guidelines were requested concerning the location of the driveway leading out on the ridge north and west of Lot #13. The edges of the driveway should maintain a setback of at least 10 feet from the top of the bluff or landslide scarps adjacent to it. Bear in mind that portions of the cliff up to 20 feet wide can fail at once and setting the road back 10 feet will not ensure that the road will be safe from bluff retreat. The further the road is from the edge of the bluff the safer it will be. The 10 foot setback is only intended to provide a setback which, in my opinion, is the minimum necessary to reduce the impacts of road construction on bluff edge stability. Brush should not be removed between the road and the edge of the bluff and, if brush is absent or disturbed, deeply rooted brushy species should be planted to reinforce the stability of the bluff edge. A qualified botanist can prescribe appropriate brush species. The driveway should be curbed or constructed to ensure that runoff is not allowed to be discharged onto the adjacent slope. Runoff from the driveway should be conveyed in the storm drain discussed in recommendation #6 above.

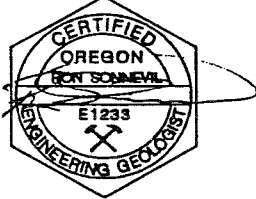
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8. Site grading on the parcel should be conducted using standard engineering practices and conducted under guidelines established in Chapter 70 of the Uniform Building Code. All fills should be drained and appropriately compacted for their intended use.
9. There is no evidence to indicate that the site is underlain by an active fault and the potential for ground displacement to occur at the site by a hidden fault is extremely low. There is evidence, however, that nearby faults may be active and that severe ground shaking may occur. Structures throughout the Oregon Coast should be designed to withstand severe, strong ground motion.

LIMITATIONS

This investigation was conducted to determine the extent of landslide activity on Lot #13 and to assess the potential for the parcel to be suitable for development. This report is not intended to be used for final determination of setbacks or final design of mitigation measures required for development. The recommendations in this report are opinions of the author and are based on a current knowledge of erosion rates and erosion processes that are interpreted to have historically impacted the area. This report is submitted with the limitation that damage caused by, or associated with, an extreme, historically unprecedented climatic or seismic event is borne by the property owner, and is an inherent risk of development adjacent to a coastal landslide feature.

Respectfully,



Ron Sonnevil

TERRA FIRMA GEOLOGIC SERVICES
(503) 247-2091

EXHIBIT D - Pg. 37

TERRA FIRMA GEOLOGIC SERVICES

RON SONNEVIL, Engineering Geologist
27766 Hunter Creek Road, Gold Beach, OR 97444
(503) 247-2091

October 1, 1993

Michael Gorski
M.F. Gorski Construction, Inc.
9749 Hampton Circle North Drive
Indianapolis, IN 46256

Dear Mr. Gorski:

This letter concerns proposed Lot #15 of the Oceanside Estates Subdivision which is part of Tax Lot 1100, 40-14-36 BC, in the Dawson Tract, Brookings, Oregon. The opinions in this letter are preliminary and are based only on a reconnaissance geologic investigation. A detailed investigation is required to be more definitive about feasibility for specific development alternatives.

The proposed building site is on top of a large rock, approximately 15 feet wide at the top, which sits on the beach and is at the base of an east west trending ridge. Vehicle access to the structure site will require a driveway on the south side of the ridge which necessitates crossing, or bridging, an apparently active landslide. The building site is constrained by size and geologic hazard, thus, although its development is apparently feasible it may be technically very difficult and quite costly. Prior to development an extensive geologic investigation will be required to identify the relevant hazards, quantify all of the constraints and to provide sufficient data for engineering of appropriate mitigation measures. Geotechnical drilling will be required for a driveway and for any structure larger than a small gazebo. Finally, the owners will probably have to assume some level of risk that the development may be impacted by geologic processes during its economic life.

Respectfully,



Ron Sonnevil

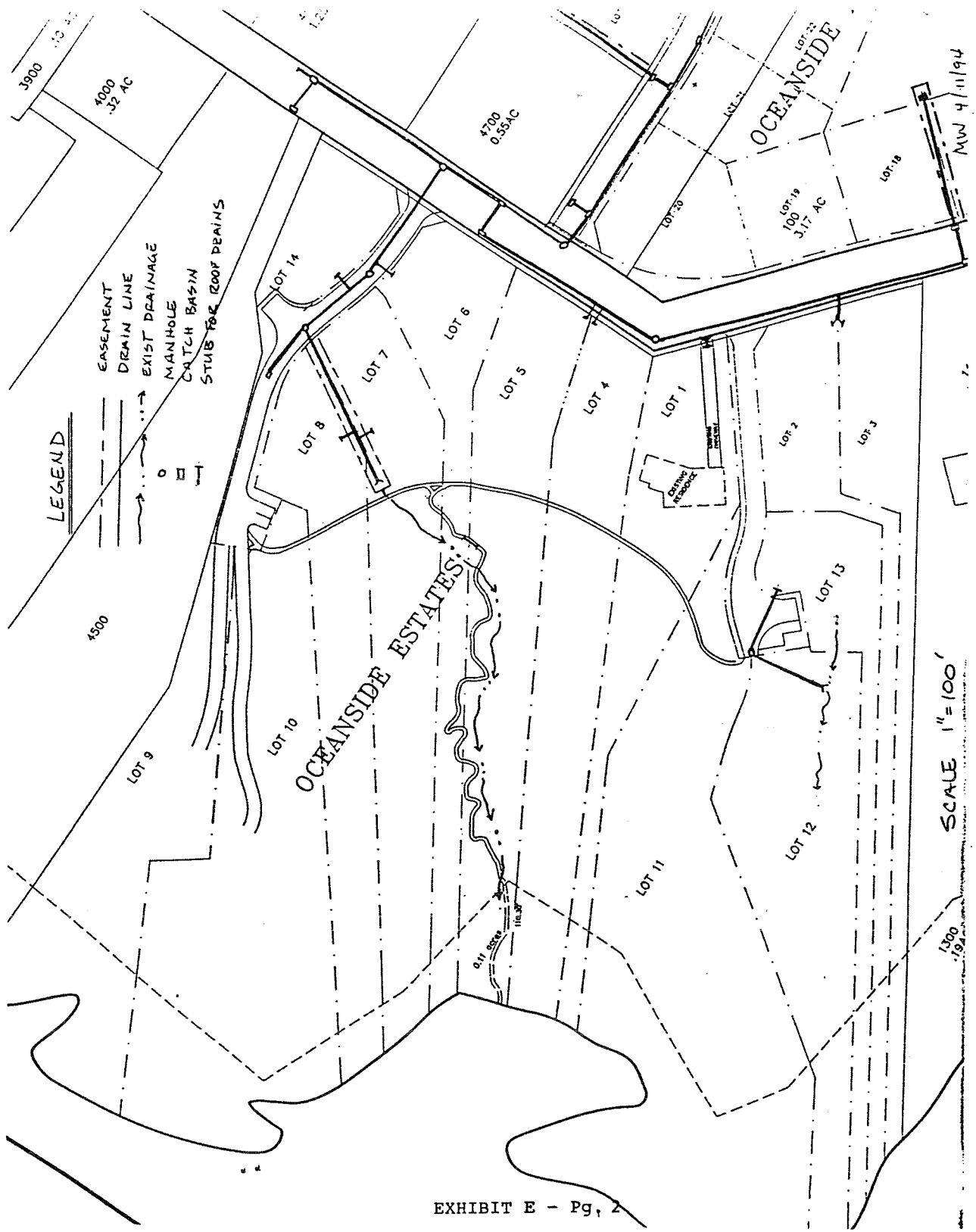


EXHIBIT E - Pg. 2

EXHIBIT F

SUBMISSION OF ADDITIONAL PROPERTY TO DECLARATION

BY HOWARD AND SUSAN KAYLAN

In accordance with the Sale Agreement and Receipt for Earnest Money No. 92-049468 between the undersigned, Howard and Susan Kaylan (hereinafter referred to as Kaylan), and the Declarant, M. F. Gorski Construction, Inc., the undersigned do hereby submit certain real property owned and possessed by them as is more particularly described as follows:

A Parcel of land lying within the Northwest Quarter (NW¼) of Section Thirty-six (36), Township Forty (40) South, Range Fourteen (14) West, Willamette Meridian, City of Brookings, Curry County, Oregon, being more particularly described as follows:

Beginning at a point marking the Northwest corner of said section 36;

thence leaving said point South 26° 54' 53" East 1461.40 feet to a 5/8" iron rod lying on the Westerly right of way of Dawson Road said iron rod being the true point of beginning. thence leaving said iron rod and true point and following along said right of way South 49° 30' 00" East 67.45 feet; thence leaving said right of way South 51° 52' 02" West 147.34 feet;
thence South 83° 43' 44" West 252.41 feet;
thence South 62° 32' 12" West 155.19 feet to a point lying on the vegetation line;
thence leaving said point and following along the vegetation line North 01° 20' 25" East 19.95 feet;
thence leaving said vegetation line North 63° 46' 21" East 393.31 feet;
thence North 68° 05' 49" East 107.70 feet to a point lying on said right of way said point being the true point of beginning.

to the terms of the Declaration to which this Exhibit is attached.

In consideration of the terms of the aforesaid Sale Agreement and the mutual covenants and conditions contained in the Declaration to which this Exhibit is attached, the undersigned, for ourselves and our heirs and assigns forever, do declare our intent to be bound by that agreement and to submit the aforescribed real property to the terms of the Declaration.



1 - Submission of Additional
Property to Declaration

It is out intent to subject our aforesaid real property to the covenants, conditions, restrictions and easements, including liens for assessments, and all other terms contained in the Declaration. The undersigned will be a member of the Homeowners Association as delineated in the Declaration.

NOW, THEREFORE, undersigned hereby covenants, agrees and declares that all of their interest in, as the same may from time to time appear, in the property described above in this Exhibit F shall be held and conveyed subject to the covenants, conditions, restrictions and easements to which this Exhibit F is attached, and are declared to be for the benefit of said interests of the subject property, the owners of said interest, their successors and assigns. These covenants, conditions, restrictions and easements shall run with said interest and shall be binding upon all parties having or acquiring any right or title in said interests, or any party thereof, and shall inure to the benefit of each said owner thereof, and are imposed upon each of said interests and all rights and titles therein, as a servitude in favor of each and all other of said interests as the dominant tenement or tenements.

IN WITNESS WHEREOF, we have caused this document to be executed at Brookings, Oregon, on the date indicated below.

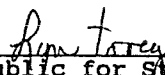
DATED:


Howard Kaylan

Susan Kaylan

STATE OF OREGON
COUNTY OF CURRY

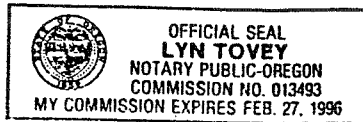
On this 9th day of May 1994, before me, a Notary Public for the State of Oregon, duly commissioned and sworn, personally appeared Howard Kaylan and Susan Kaylan, known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Curry, the day and year first above written.


Notary Public for State of Oregon

l:\doc2\gorsdec.exf

2 - Submission of Additional
Property to Declaration



1994 INSTRUMENT 94 02869

STATE OF OREGON
COUNTY OF CURRY

I RENEÉ KOLEN, COUNTY CLERK, CERTIFY
THAT THE WITHIN DOCUMENT WAS
RECEIVED AND DULY RECORDED IN THE
OFFICIAL RECORDS OF CURRY COUNTY AT

11:03 ON 05-12-94

BY: MW DEPUTY
FEE \$ 495.00
PAGES: 93

