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05/05/2006 09:54:37 AM

D-CCR Cnt=1 Stn=3 PAM
\$30.00 \$11.00 \$10.00 \$5.00

Recording requested by and
When recorded, return to
Ball Janik LLP
15 SW Colorado, Suite 3
Bend, Oregon 97702
Attn: Laura Craska Cooper

DECLARATION OF RESTRICTIVE COVENANTS
[Regarding Construction Costs]

This Declaration of Restrictive Covenants [Regarding Construction Costs] (this "Agreement") is entered into as of this 27th day of April 2006 by and between Roger G. Worthington, Trustee and Ann M. Worthington, Trustee of the Worthington Family Trust dated May 12, 1998 ("Worthington"), and Baney Corporation, an Oregon corporation ("Baney").

Whereas, Worthington and Baney are parties to that certain Purchase and Sale Agreement dated October 11, 2005, pursuant to which Worthington sold and Baney purchased that certain real property located in the City of Bend, Oregon and more particularly known as Lot Three (3), Arrowhead Phases I, II, III, and IV, City of Bend, Deschutes County, Oregon ("Lot 3").

Whereas, Lot 3, together with five (5) other adjacent parcels currently owned by Worthington, which parcels are more particularly described as Lots 1, 2, 4, 5 and 6, Arrowhead Phases I, II, III and IV, City of Bend, Deschutes County, Oregon and shown, together with Lot 3, on attached Exhibit A (collectively with Lot 3, all six (6) parcels are hereinafter referred to as the "Property"), are subject to the terms of that certain land use decision of the City of Bend dated July 16, 2004, No. 04-242 (the "Decision").

Whereas, two of the conditions of approval in the Decision involve the construction of road improvements, and the parties hereto agree that the costs of such improvements shall be borne by all owners of the Property in accordance with the terms of this Agreement.

Now therefore, in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

After recording, return to
Amerititle
15 OREGON AVENUE, BEND
→ Lenda S.

1. Parties' Obligations. The parties hereto declare and agree to cooperate as reasonably necessary to satisfy the obligations contained in Conditions of Approval Nos. 10 and 11 in the Decision (the "Conditions"). The parties further agree that each shall pay its proportionate share (based upon acreage) of all costs incurred in connection with compliance with the Conditions, including all construction costs (see attached **Exhibit B**). The parties shall negotiate in good faith in determining who will take the lead in coordinating compliance efforts. All payments due hereunder shall be paid within ten (10) calendar days of receipt of an invoice evidencing the same. Any unpaid amounts shall bear interest from the date due until paid in full at the lesser rate of: (i) ten percent (10%) per annum; or (ii) the maximum rate permitted by law. To the extent any portion of the Property is subdivided, the owner of each such parcel shall be bound by the terms of this Agreement and their proportionate share of costs hereunder shall be based upon their proportionate share of acreage of the Property.
2. Successors and Assigns. This Agreement shall run with the land and be binding upon the parties' respective successors and assigns.
3. Notices. All notices required or permitted to be given shall be in writing and shall be deemed given and received on personal service or deposit in the United States Mail, certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

To Worthington: Roger Worthington
 34691 Camino Capistrano
 Capistrano Beach, CA 92624

To Baney: Curt Baney
 1550 N.E. Williamson
 Bend, OR 97701

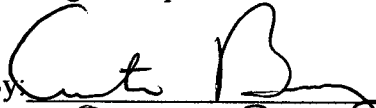
The foregoing addresses may be changed by written notice, given in the same manner. Notice given in any manner other than the manner set forth above shall be effective when received by the party for whom it is intended.

4. Attorneys' Fees. If litigation is instituted with respect to this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to all other sums and allowable costs, its reasonable attorneys' fees, both in preparation for and at trial and any appeal or review, such amount to be set by the court before which the matter is heard.
5. Integration, Modification, or Amendments. This Agreement contains the entire agreement of the parties with respect to the matters described herein and supersedes all prior written and oral negotiations and agreements with respect to the same. Any modifications, changes, additions, or deletions to this Agreement must be approved by the parties in writing.
6. Counterparts; Pronouns. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which, when taken together, shall constitute one and the same instrument. With respect to any pronouns used, each gender used shall include the other gender and the singular and the plural, as the context may require.
7. Governing Law; Interpretation. This Agreement shall be governed by the laws of Oregon. If a court of competent jurisdiction holds any portion of this Agreement to be void or unenforceable as written, the parties intend that (1) that portion of this Agreement be enforced to the extent permitted by law, and (2) the balance of this Agreement remain in full force and effect.
8. Time Is of the Essence. Time is of the essence of this Agreement.

Executed on the day and year first above written.

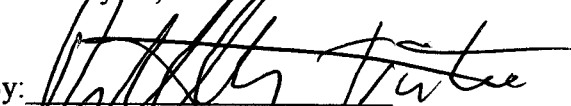
"Baney":

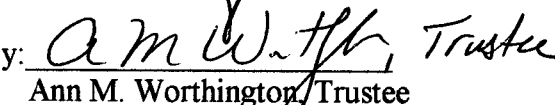
BANEY CORPORATION,
an Oregon corporation

By: 
Name: Curtis Baney
Title: Pres

"Worthington":

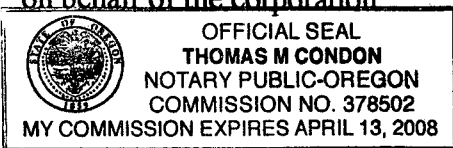
WORTHINGTON FAMILY TRUST
dated May 12, 1998

By: 
Roger G. Worthington, Trustee

By: 
Ann M. Worthington, Trustee

STATE OF OREGON)
County of DESCHUTES) ss

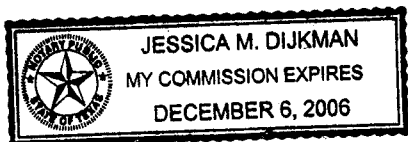
The foregoing instrument was acknowledged before me this 3 day of MAY 2006 by CURTIS A. BANEY, as the PRESIDENT of Baney Corporation, Oregon corporation, on behalf of the corporation



Thomas M Condon
Notary Public for OREGON
My Commission Expires: APRIL 13 2008

STATE OF Texas)
County of Dallas) ss

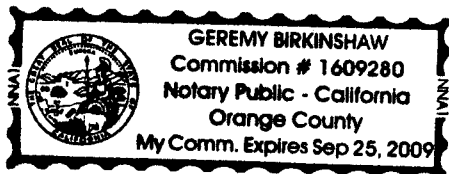
The foregoing instrument was acknowledged before me this 30th day of April 2006 by Roger G. Worthington, as trustee of the Worthington Family Trust, dated May 12, 1998, on behalf of the Trust.



Jessica M. Dikman
Notary Public for Texas
My Commission Expires: December 6, 2006

STATE OF CA)
County of Orange) ss

The foregoing instrument was acknowledged before me this 27th day of April 2006 by Ann M. Worthington, as trustee of the Worthington Family Trust, dated May 12, 1998, on behalf of the Trust.

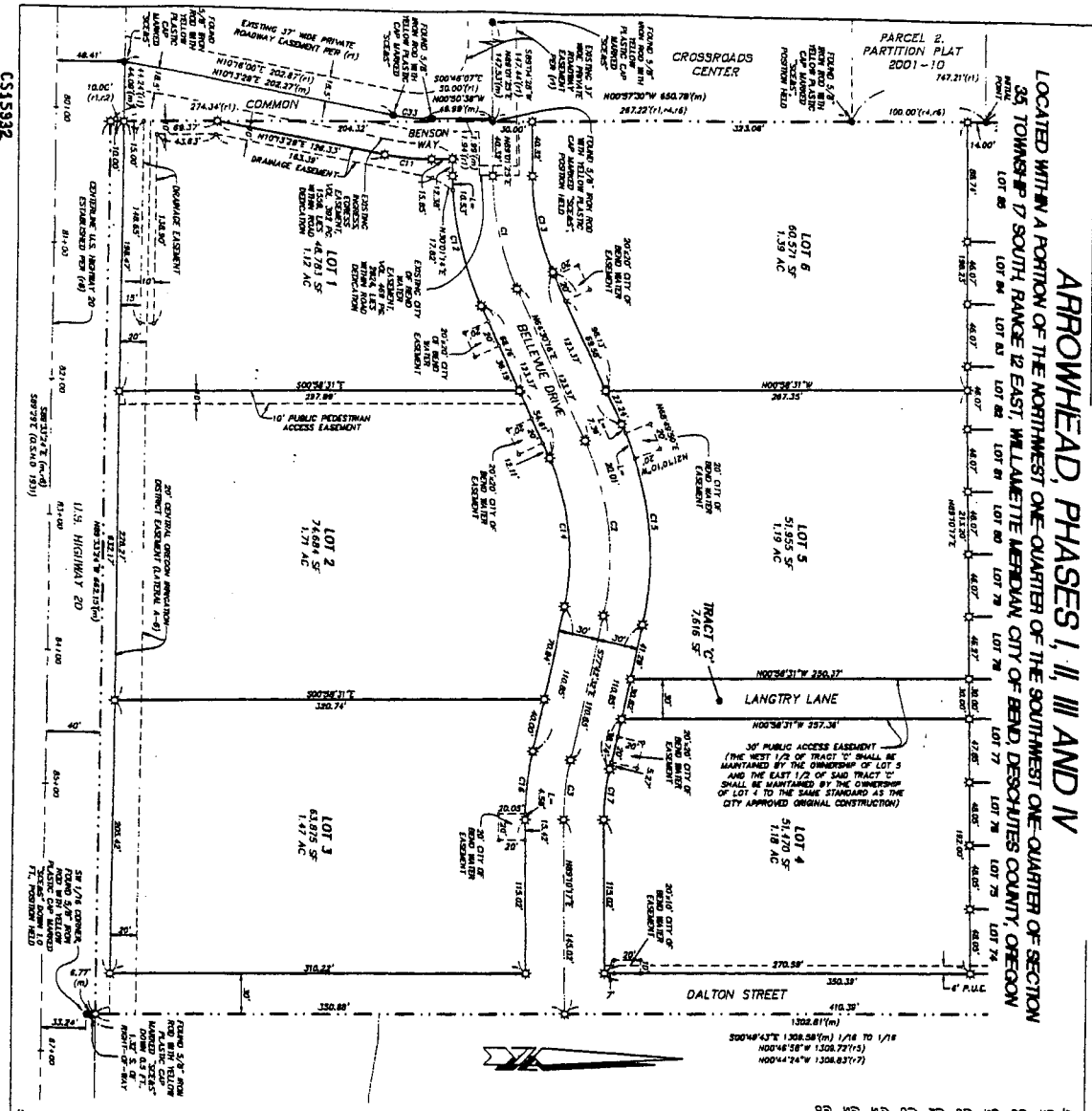


Jeremy Birkinshaw
Notary Public for California
My Commission Expires: 9-25-09

EXHIBIT "A"

ARROWHEAD, PHASES I, II, III AND IV

LOCATED WITHIN A PORTION OF THE NORTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 35, TOWNSHIP 17 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, CITY OF BEAD, DESCHUTES COUNTY, OREGON



CS15932

G-313

RECORD REFERENCES

- (1) CROSSROADS CENTER, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (2) LOT LINE AGREEMENT, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (3) RECORD OF SURVEY, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (4) LOT LINE AGREEMENT, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (5) PLAT OF SURVEY, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (6) PARTITION PLAT NO. 2001-10, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (7) SURVEY FOR LOTS 5 AND 6, BY JOHN H. FALVO, RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (8) RECORD OF SURVEY, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)
- (9) PARTITION PLAT NO. 2001-10, BY JAMES R. THE RESOURCES COUNTY SURVEYORS OFFICE (SHEET NUMBER 02127)

LINE	LENGTH	BEARING	AREA	DATE
C1	100.00	N 00° 00' 00" W	100.00	1/1/00
C2	100.00	N 00° 00' 00" W	100.00	1/1/00
C3	100.00	N 00° 00' 00" W	100.00	1/1/00
C4	100.00	N 00° 00' 00" W	100.00	1/1/00
C5	100.00	N 00° 00' 00" W	100.00	1/1/00
C6	100.00	N 00° 00' 00" W	100.00	1/1/00
C7	100.00	N 00° 00' 00" W	100.00	1/1/00
C8	100.00	N 00° 00' 00" W	100.00	1/1/00
C9	100.00	N 00° 00' 00" W	100.00	1/1/00
C10	100.00	N 00° 00' 00" W	100.00	1/1/00
C11	100.00	N 00° 00' 00" W	100.00	1/1/00
C12	100.00	N 00° 00' 00" W	100.00	1/1/00
C13	100.00	N 00° 00' 00" W	100.00	1/1/00
C14	100.00	N 00° 00' 00" W	100.00	1/1/00
C15	100.00	N 00° 00' 00" W	100.00	1/1/00
C16	100.00	N 00° 00' 00" W	100.00	1/1/00
C17	100.00	N 00° 00' 00" W	100.00	1/1/00
C18	100.00	N 00° 00' 00" W	100.00	1/1/00
C19	100.00	N 00° 00' 00" W	100.00	1/1/00
C20	100.00	N 00° 00' 00" W	100.00	1/1/00
C21	100.00	N 00° 00' 00" W	100.00	1/1/00
C22	100.00	N 00° 00' 00" W	100.00	1/1/00
C23	100.00	N 00° 00' 00" W	100.00	1/1/00
C24	100.00	N 00° 00' 00" W	100.00	1/1/00
C25	100.00	N 00° 00' 00" W	100.00	1/1/00
C26	100.00	N 00° 00' 00" W	100.00	1/1/00
C27	100.00	N 00° 00' 00" W	100.00	1/1/00
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C29	100.00	N 00° 00' 00" W	100.00	1/1/00
C30	100.00	N 00° 00' 00" W	100.00	1/1/00
C31	100.00	N 00° 00' 00" W	100.00	1/1/00
C32	100.00	N 00° 00' 00" W	100.00	1/1/00
C33	100.00	N 00° 00' 00" W	100.00	1/1/00
C34	100.00	N 00° 00' 00" W	100.00	1/1/00
C35	100.00	N 00° 00' 00" W	100.00	1/1/00
C36	100.00	N 00° 00' 00" W	100.00	1/1/00
C37	100.00	N 00° 00' 00" W	100.00	1/1/00
C38	100.00	N 00° 00' 00" W	100.00	1/1/00
C39	100.00	N 00° 00' 00" W	100.00	1/1/00
C40	100.00	N 00° 00' 00" W	100.00	1/1/00
C41	100.00	N 00° 00' 00" W	100.00	1/1/00
C42	100.00	N 00° 00' 00" W	100.00	1/1/00
C43	100.00	N 00° 00' 00" W	100.00	1/1/00
C44	100.00	N 00° 00' 00" W	100.00	1/1/00
C45	100.00	N 00° 00' 00" W	100.00	1/1/00
C46	100.00	N 00° 00' 00" W	100.00	1/1/00
C47	100.00	N 00° 00' 00" W	100.00	1/1/00
C48	100.00	N 00° 00' 00" W	100.00	1/1/00
C49	100.00	N 00° 00' 00" W	100.00	1/1/00
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C51	100.00	N 00° 00' 00" W	100.00	1/1/00
C52	100.00	N 00° 00' 00" W	100.00	1/1/00
C53	100.00	N 00° 00' 00" W	100.00	1/1/00
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C55	100.00	N 00° 00' 00" W	100.00	1/1/00
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C58	100.00	N 00° 00' 00" W	100.00	1/1/00
C59	100.00	N 00° 00' 00" W	100.00	1/1/00
C60	100.00	N 00° 00' 00" W	100.00	1/1/00
C61	100.00	N 00° 00' 00" W	100.00	1/1/00
C62	100.00	N 00° 00' 00" W	100.00	1/1/00
C63	100.00	N 00° 00' 00" W	100.00	1/1/00
C64	100.00	N 00° 00' 00" W	100.00	1/1/00
C65	100.00	N 00° 00' 00" W	100.00	1/1/00
C66	100.00	N 00° 00' 00" W	100.00	1/1/00
C67	100.00	N 00° 00' 00" W	100.00	1/1/00
C68	100.00	N 00° 00' 00" W	100.00	1/1/00
C69	100.00	N 00° 00' 00" W	100.00	1/1/00
C70	100.00	N 00° 00' 00" W	100.00	1/1/00
C71	100.00	N 00° 00' 00" W	100.00	1/1/00
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C73	100.00	N 00° 00' 00" W	100.00	1/1/00
C74	100.00	N 00° 00' 00" W	100.00	1/1/00
C75	100.00	N 00° 00' 00" W	100.00	1/1/00
C76	100.00	N 00° 00' 00" W	100.00	1/1/00
C77	100.00	N 00° 00' 00" W	100.00	1/1/00
C78	100.00	N 00° 00' 00" W	100.00	1/1/00
C79	100.00	N 00° 00' 00" W	100.00	1/1/00
C80	100.00	N 00° 00' 00" W	100.00	1/1/00
C81	100.00	N 00° 00' 00" W	100.00	1/1/00
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C86	100.00	N 00° 00' 00" W	100.00	1/1/00
C87	100.00	N 00° 00' 00" W	100.00	1/1/00
C88	100.00	N 00° 00' 00" W	100.00	1/1/00
C89	100.00	N 00° 00' 00" W	100.00	1/1/00
C90	100.00	N 00° 00' 00" W	100.00	1/1/00
C91	100.00	N 00° 00' 00" W	100.00	1/1/00
C92	100.00	N 00° 00' 00" W	100.00	1/1/00
C93	100.00	N 00° 00' 00" W	100.00	1/1/00
C94	100.00	N 00° 00' 00" W	100.00	1/1/00
C95	100.00	N 00° 00' 00" W	100.00	1/1/00
C96	100.00	N 00° 00' 00" W	100.00	1/1/00
C97	100.00	N 00° 00' 00" W	100.00	1/1/00
C98	100.00	N 00° 00' 00" W	100.00	1/1/00
C99	100.00	N 00° 00' 00" W	100.00	1/1/00
C100	100.00	N 00° 00' 00" W	100.00	1/1/00

DESCHUTES COUNTY CLERK
FILED 01/15/00 BY: [Signature]

LEGEND

STATIONARY MONUMENT
STREET CENTERLINE
EASEMENT (AS NOTED)

ROUND MONUMENT AS DESIGNED
SET 3/01 FROM OLD 20' WIDE PRIVATE ROAD
CROSSROAD CENTER
(SEE SHEET 2)

NO MONUMENT FOUND ON SET
DEVIATES AS NOTED READING DISTANCE
DEVIATES AS NOTED READING DISTANCE
NO NOTICES

PREPARED BY: [Signature]

DESCHUTES COUNTY CLERK
FILED 01/15/00 BY: [Signature]

CS15932

Exhibit B

(to Declaration of Restrictive Covenants [Regarding Construction Costs])

Proportionate shares (based on acreage) of the Property:

Lot 1:	13.90 %
Lot 2:	21.22 %
Lot 3:	18.24 %
Lot 4:	14.64 %
Lot 5:	14.76 %
Lot 6:	17.24 %
	100.00 %