

RECORDED BY
WESTERN TITLE & ESCROW CO.

97-10276

97-242

CANYON VIEW'S CODES, COVENANTS AND RESTRICTIONS

THIS DECLARATION is made on the day and year hereinafter written, by Canyon View Associates L.L.C., herein after called "Declarant." This Declaration is made with reference to the following:

RECITALS

A. Declarant is the Owner or the real property located in the City of Redmond, County of Deschutes, State of Oregon, more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof, which property, together with all improvements and structures now or hereafter constructed thereon are referred to herein as the "Property."

B. Before selling or conveying all or any portions of the Property Declarant desires to subject said Property in accordance with a general plan to certain conditions and restrictions for the benefit of Declarant and any and all present and future owners or said Property.

NOW, THEREFORE, Declarant hereby certifies and declares and does hereby establish the following general plan for the protection and benefit of all of the real property described, and has fixed and does hereby fix the following protective ownership interest in the Property described above, under which each ownership interest in the Property shall be hereafter held, used, occupied, leased, sold, encumbered, conveyed and/or transferred. Each and all of said conditions and restrictions are for the purpose of protecting the value and desirability of, and shall inure to the benefit of all of the real property described above, and shall run with and be binding upon and pass with the Property, and each and every ownership interest therein, and shall inure to the benefit of, apply to, and bind the respective successors in title or interest of Declarant.

ARTICLE 1. DEFINITIONS

CITY

"City" shall mean and refer to "City of Redmond".

COUNTY

"County" shall mean and refer to the County of Deschutes, State of Oregon.

DECLARANT

"DECLARANT" shall mean and refer to Canyon View Associates L.L.C., its successors and assigns, if such successors or assigns acquire any or all of the Declarant's interest in the Property for the purpose of development or sale. A successor Declarant shall also be deemed to include the beneficiary under any deed of trust securing an obligation from a then existing Declarant encumbering all or any portion of the Property, which beneficiary has acquired any such property by foreclosure, power of sale or deed in lieu of such foreclosure or sale.

DECLARATION

"Declaration" shall mean and refer to this Declaration, recorded with the Office of the County Recorder of Deschutes County, Oregon, covering the Property, including such amendments thereto as may from time to time be recorded.

DWELLING; RESIDENCE

"Dwelling" or "Residence" shall mean a residential structure or structures, including enclosed yard, balconies, patio areas and garages located on a Residential Lot.

MAP

"Map" shall mean and refer to that certain Subdivision Map filed in Office of the County Recorder of Deschutes County, as more particularly described in Exhibit "A".

OWNER

"Owner" Shall mean and refer to the recorded Owner, whether one (1) or more persons or entities, or a Residential Lot. The term "Owner" shall include a seller under an executory contract of sale, but shall exclude Mortgagees.

PARTY WALL

"Party Wall" shall mean and refer to any wall or fence that is located on or at the division line between adjoining Residential Lots, and used or intended to be used by the Owners of the adjoining Residential Lots in the maintenance of improvements on their respective Lots. For purposes of this Declaration, any walls or fences located on or at the division line between Residential Lots shall be treated as Party Walls.

PROJECT

"Project" shall mean and refer to the entire parcel of real property described in Exhibit "A" herein.

PROPERTY

"Property" shall mean and refer to that certain real property located in the County of Deschutes, Oregon, more particularly described in Exhibit "A" herein.

RESIDENTIAL LOT

"Residential Lot" or "Lot" means any of the lots located within the Project, including all improvements now or hereafter thereon.

ARTICLE 2 CONSTRUCTION STANDARDS

FENCES & WALLS

Any fence or wall construed in any setback area on a Residential Lot shall be a minimum of the height allowed by City regulations. Under no circumstance shall any Chain-Link or barbed wire fences be erected, except for security purposes in connection with construction or reconstruction of a Dwelling. All fences shall be maintained in good condition and repair. The foregoing restriction, however, shall not apply to any fencing installed by Declarant.

REASONABLE CONSTRUCTION TIME FRAME

All work of construction being performed on a Residential Lot shall be prosecuted diligently and continually from the time of commencement of construction until the same shall be fully completed, excepting therefrom causes beyond the control of the Lot Owner, such as strikes, Acts of God, etc. The Owner of a Lot where a building structure has been damaged or destroyed by fire or other calamity shall cause such structure to be repaired or restored within a reasonable time, commencing within (4) months after the damage occurs and be completed within one year thereafter, unless prevented by causes beyond his reasonable control. This obligation shall not extend to the installation of furniture or the like, but shall be for the purpose of preventing unsightliness caused by such damage or destruction and any resultant health or safety problems to other Owners or occupants within the Property or neighborhood.

DECLARANT CONTROL

Until all of the Residential Lots for sale in the Project by Declarant have been sold, no Dwelling, building, fence or other improvement or structure of any kind shall be commenced, erected, placed, altered or painted until the same has been approved in writing by Declarant, which approval shall not be unreasonably withheld. Complete plans and specifications showing the nature, kind, shape, color, size, height and materials and location of such improvements, alterations, etc., shall have been submitted to Declarant for approval as to quality of workmanship and design and harmony of external design

with existing structures, and as to location in relation to surrounding Project structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with Declarant's original color scheme, or to rebuild in accordance with plans and specifications previously approved Declarant. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his residence, or to paint the interior of his residence any color described.

ARTICLE 3 - USE RESTRICTIONS

SINGLE FAMILY USE ONLY

Each Residential Lot shall be improved, used and occupied for private, single family dwelling purposes only.

BUSINESS OR COMMERCIAL ACTIVITY

No commercial business shall be permitted or conducted on any of the Residential Lots. Owners may, however, without external evidence, (i) maintain their personal professional library, (ii) keep personal business or professional records, or (iii) handle his or her professional and personal business, calls or correspondence from said premises. The foregoing notwithstanding, Declarant may use any of the Lots owned or leased by Declarant as model homes and sales offices during the period of time commencing when the Residential Lots in the Project are first sold or offered for sale to the public, and ending when all such Lots are sold and conveyed by Declarant to separate Owners thereof.

LEASE OF DWELLING

Each Owner shall have the right to lease his Dwelling, provided that such lease is in writing and provides that the tenant shall be bound by and obligated to the provisions of this Declaration, and the failure to comply with the provisions of this Declaration shall be a default under the lease.

EXTERIOR LIGHTING

Any exterior lighting installed on any Lot shall either be indirect or of such controlled focus and intensity as not to unreasonably disturb other occupants or other Residential Lots.

SIGNS

No signs, placards, decals or other similar objects, visible from neighboring property or streets, shall be erected, or displayed on any Residential Lot or the Private Road; provided however, the following signs shall be permitted, all of the foregoing of which shall conform with applicable local governmental ordinances:

- (a) Such signs as may be required by legal proceedings;
- (b) One (1) sign of customary and reasonable dimensions, not exceeding 4 square feet in area, advertising the dwelling or Residential Lot on which such sign is located "for sale" or "for rent";
- (c) One (1) sign, staked in the yard area, not to exceed 1' Declarant 1' in size, advertising or noticing the existence of a security system on which such sign is located, and any number of security system window signs not to exceed sixty-four inches (64") square in size. No such security signs shall be attached to the outside of a Dwelling or fence;
- (d) Reasonable window dressings placed in observance of national or religious holidays;

(e) During the time of construction of any Residence or other improvement, job identification signs having a maximum face area of six (6) square feet per sign and of the type usually employed by architects, contractors, subcontractors, tradesmen and lenders;

(f) An exception to all sign prohibitions shall be the Addresses which must be incorporated onto the entrance of each lot as per code dictated by the Redmond Fire Department.

Anything contained in this Declaration to the contrary notwithstanding, until all of the Residential Lots for sale in the Project by Declarant have been sold, Declarant shall have the right to install and maintain such signs, poles and advertisements as it deems appropriate in connection with its sales, financing, or construction program for the sale to the public or Residential Lots, provided such signs shall comply with the local zoning ordinances, that all County or other governmental approvals therefore shall be obtained and that they do not unusually interfere with the right of use and quiet enjoyment of the Owners and occupants.

ANTENNAS, SATELLITE DISHES, ETC.

No "Citizens Band" (C.B.), "ham" radio, microwave transmission antennas or other similar electronic receiving or broadcasting devices shall be installed or maintained on a Residential Lot. The foregoing notwithstanding, AM/FM radio and/or television antennas erected inside an attic of a Dwelling or other location not visible from any street or from anywhere else in the Project shall be permitted. A single satellite dish shall be permitted on a Residential Lot, provided, however, that it: must be ground mounted, may not exceed a height of twelve feet (12'), must be of mesh construction (vs. solid), and shall be of black, green or other inconspicuous color; under no circumstances shall a satellite dish be white in color. In addition, landscaping shall be planted around the perimeter of the satellite dish of such type and variety that will grow to a height so to reasonably obscure the satellite dish of view from neighboring Lots and roads.

PETS; ANIMALS

An Owner may keep and maintain in his Dwelling domesticated pets such as dogs, cats, or other usual and ordinary household pet, provided that they are not kept, maintained or bred for any commercial purposes. The foregoing notwithstanding, no pets may be kept on the premises which result in an annoyance or are obnoxious to other Owner or occupants. Declarant or any Owner may cause any unleashed dog and or any other such animal found within the Project to be removed by Declarant (or any Owner) to a Pound or animal shelter under the jurisdiction of the City of Redmond, or the County of Deschutes by calling the appropriate authorities, whereupon the Owner may upon payment of all expenses connected therewith, repossess the dog or other such animal. No dog whose barking disturbs other Owners or occupants shall be permitted to remain on the Property. Owners shall prevent their pets from soiling all portions of the City street areas where other persons customarily walk and shall promptly clean up any mess left by their pets. Owners and occupants may keep and maintain such pets as may be permitted by County zoning ordinances.

VEHICLE RESTRICTIONS

Owners and occupants may keep and maintain such vehicles on their Residential Lots as may be permitted in accordance with the codes, ordinances and statutes of the City. Provided, however, no vehicles shall be permitted to remain upon any front yard area of a Residential Lot, except for paved areas leading to a garage, or within a paved parking area other than a driveway that is located adjacent to the Dwelling. No Owner may engage in any vehicle restoration or maintenance work beyond any continuous period of forty-eight (48) hours, unless such work is performed within an enclosed garage. The foregoing shall not be deemed to prevent the washing or polishing of motor vehicles together with those activities normally incident to such activity. Anything herein to the contrary notwithstanding, trailers or temporary structures for use incidental to the actual construction or reconstruction of a Dwelling on a Residential Lot may be erected, but no such temporary structure shall remain on any Residential Lot for a longer period of time than is customarily required to construct like or similar Dwellings. Declarant, however, or Declarant's successor in interest, may maintain trailers or temporary structures within the Project which are incidental to the completion of the Project.

GARAGES; PARKING

Garages shall be used only for the purpose of parking automobiles and other vehicles and equipment and storing an Owner's household goods; provided, however, that all such uses shall be accomplished so that garage doors can be closed. Garages shall not be converted into any use (such as a recreational room or for storage) that would prevent its use as - parking space for the number of vehicles the garage was designed to contain. Except for purposes of ingress or egress, all garage doors shall remain closed. Parking of vehicles on Residential Lots shall be conducted on paved surfaces only there shall be no parking of vehicles on unpaved surfaces, such as lawns or dirt surfaces.

TREES; LANDSCAPING

All trees or other landscaping material, shall be kept trimmed by the owner of the Lot upon which they are located so that they do not exceed a height of twenty (20) feet above the average ground level within a five foot (5') circumference of such trees or other landscaping material.

WINDOWS

No window shall ever be covered with paint or aluminum foil, provided, however, non-reflective solar films will be allowed.

GARBAGE AND REFUSE DISPOSAL

All rubbish, trash and garbage shall be regularly removed from Property, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers designed for such purpose. All equipment for storage or disposal of such materials shall be kept in a clean and sanitary condition. All equipment, trash bins or cans shall be kept screened and concealed from view of other Lots and from the streets.

OFFENSIVE ACTIVITIES AND CONDITIONS

No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Owners other than construction or repair of improvements as may be permitted by law. No Residential Lot or Dwelling shall be used in such manner as to obstruct or interfere with the enjoyment of occupants of other such areas, nor shall any illegal activity be committed or permitted to occur on any Residential Lot.

ARTICLE 4 - RESPONSIBILITY OF MAINTENANCE

Each such Owner shall, at his sole cost and expense, maintain and repair his Lot, which shall not be less than that required for normal care including irrigation of the landscaping, repair and replacement of plant materials and irrigation systems as necessary, and general cleanup of the landscaped areas including all landscaping and improvements thereon and all slope banks comprising property adjacent to any private road or drive where such adjoins each Owners' Lot, in an attractive and neat manner, including the exterior surfaces and roofing of a Dwelling; provided, however, the cost or maintenance and repair of any fence or wall which separates Residential Lots shall be shared by the respective Lot Owners in accordance with the article entitled "Party Walls" herein. "Maintenance" shall include, without limitation, the painting, weather-proofing and cleaning of the items set forth below to keep a clean, safe and sanitary condition necessary to preserve the attractive appearance of each Residential Lot and Dwelling and to protect the values thereof. The standards of such maintenance shall be, at a minimum, in conformance with maintenance standards for similar Projects in the area. No rubbish or debris of any kind shall be placed or permitted by an Owner to accumulate upon or adjacent to any Lot, or slope, so as to render such property or portion thereof unsanitary, unsightly, offensive or detrimental to other residents.

ARTICLE 5 - PARTY WALLS

GENERAL

Each wall or fence which is placed on the dividing line between the Residential Lots and is used in common with the adjacent Lot shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall assume the burdens and be entitled to the benefits of this Declaration, and to the extent not inconsistent with this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall be applied thereto

DAMAGE BY ONE OWNER

In the event any such party wall is damaged or destroyed through the act of one adjoining Owner or any of his agents, guests, invitees, tenants or members of his family (whether or not such act is negligent or otherwise culpable) so as to deprive any person of the full use and enjoyment of such wall, then such Owner shall forthwith proceed to rebuild and repair the same to as good a condition as formerly existed, without cost to the other adjoining Owner.

SHARING OF MAINTENANCE

The cost of reasonable maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

DAMAGE BY OTHER CAUSE

In the event any such party wall is damaged or destroyed by some cause (including ordinary wear and tear and deterioration from lapse of time), other than the act of one of the adjoining Owners, his tenants, guests or family, both such adjoining owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly existed, at their joint expense, to such extent not covered by insurance.

ALTERATIONS

In addition to meeting the other requirements of this Declaration and of any building code or similar regulation or ordinance, any Owners proposing to modify, make additions to or rebuild his Dwelling in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner.

WEATHERPROOFING

Any other provisions of this Article V notwithstanding, any Owner, who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of replacement of that portion so exposed.

ARBITRATION

In the event of a dispute between Owners with respect to the party wall, or under the provisions of this Article, the matter shall be submitted to arbitration under the rules of the American Arbitration Association.

ARTICLE 6 - EASEMENTS

EASEMENTS TO DECLARANT

Easements over and under the Project for the installation, repair, and maintenance of electric, telephone, water, gas, and sanitary sewer lines and facilities, cable or master television antenna lines, drainage facilities, walkways, roads, curbs, gutters and such other facilities as may be shown on the map, and as may be hereafter required or needed to service, improve and construct the Project, are hereby reserved by Declarant and its successors and assigns, together with the right to grant and transfer the same. The foregoing notwithstanding, there is hereby reserved to Declarant, or its duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations set forth in this Declaration.

EASEMENTS FOR MAINTENANCE OF ENCROACHMENTS

None of the rights and obligations of the Owners created herein shall be altered in any way by encroached due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of such

encroachments over contiguous Residential Lots upon which the - encroachments exists so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful conduct of said Owner or Owners. In the event a structure on a Residential Lot is partially or totally destroyed and then rebuild, or repaired, the Owners of such Residential Lots agree that minor encroachments over adjoining Lots shall be permitted and there shall be easements for maintenance of such encroachment so long as they shall exist.

DRAINAGE & SLOPES; LANDSCAPED AREAS;

There shall be no interference with or obstruction of the established surface drainage pattern over any Lot within the Project, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the Committee and the Engineering Department of the City where the Project is located. Any alteration of the established drainage patterns must at all times comply with all applicable government ordinances. Each Owner shall maintain, repair replace, and keep free from debris or obstructions the drainage system and devices, if any, located on his Lot. Water from any Lot may drain into adjacent streets but shall not drain onto adjacent Lots unless an easement for such purposes is granted herein, in the subdivision map for the Real Property, or in any other grant of easement. Declarant hereby reserves for itself and its successive owners, over all areas of the Project, easements for drainage from slope areas and drainage ways constructed by Declarant.

UTILITY EASEMENTS

Each Owner agrees, by acceptance of deed, that his or her Residential Lot is granted subject to an easement for utility installations and maintenance. Whenever utility facilities installed within the Project, or any portion thereof, lie in or upon a Lot or Lots owned by Other than the Owner of a Lot served by said utility facilities, the Owners of any Lots served by said utility facilities shall have the right of reasonable access for themselves or for utility companies, the City, or the County of Deschutes County to repair, replace and generally maintain said utility facilities as and when the same may be necessary.

Whenever utility facilities are installed within the Project which serve more than one (1) Lot, the Owner of each Lot served by the utility facilities shall be entitled to the full use and enjoyment of such portions of the utility facilities as service his Lot. In the event of a dispute between Owners with respect to the repair or rebuilding of the utility facilities, or with respect to the sharing of the cost thereof, then, upon written request to the other Owner or Owners by one (1) of such Owners, the matter shall be submitted to arbitration within sixty (60) days, pursuant to the rules of the American Arbitration Association, and the decision of the Arbitrator(s) shall be final, conclusive and binding on the parties.

ARTICLE 7 - ENFORCEMENT

Except for those instances herein contained which call for an arbitration of disputes or other matters, enforcement of this Declaration shall be as follows:

RIGHT TO ENFORCE

Any Owner, the Declarant, or any successors in interest of the Declarant shall have the right to enforce, by any proceeding, at law or in equity, all restrictions, conditions, reservations, liens or charges now or hereafter imposed by this Declaration.

FAILURE TO ENFORCE

Failure by the Declarant or any Owner to enforce any provisions of this Declaration shall in no event be deemed a waiver of the right to do so thereafter. Each remedy provided by this Declaration shall be cumulative and not exclusive.

LITIGATION

In the event the Declarant, or any Owner shall commence litigation to enforce any of the conditions or restrictions herein contained, the prevailing party in such litigation shall be entitled to costs of suit and such attorney's fees as the Court may adjudge reasonable and proper. The "Prevailing Party" shall be the party who is entitled to recover his costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover his costs shall not recover attorney's fees

VIOLATION OF LAW

Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any Lot within the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures herein set forth.

GOVERNING LAW

This Declaration shall be governed by and construed under the laws of the City of Redmond, State of Oregon and the County of Deschutes.

ARTICLE 8 - GENERAL PROVISIONS

EXTENSION OF DECLARATION

Each and all of these covenants, conditions and restrictions shall terminate on December 31, 2050, after which date they shall automatically be extended for successive periods of ten (10) years, unless the Owners have extended and recorded at any time within six (6) months prior to December 31, 2050, or Within six (6) months prior to the end of any such ten (10) year period, in the manner required for the conveyance of real property, a writing in which it is agreed that said restrictions shall terminate on December 31, 2050, or at the end of any such ten (10) year period.

OTHER COMPLIANCE WITH DECLARATION

Each Owner, tenant or occupant of a Residential Lot shall comply with the provisions of this Declaration as lawfully amended from time to time and failure to comply with its provision shall be grounds for an action to recover sums due for damages or for injunctive relief.

NON-INTERFERENCE TO DECLARANT CONSTRUCTION EFFORT

Declarant is undertaking the work of construction of Residential Lots and Dwellings thereon and incidental improvements in the Project. The completion of that work and the sale, rental and other disposal of said Residential Lots and the Dwellings thereon is essential to the establishment and welfare of the Project as a residential community. In order that said work may be completed and said Project be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to: (a) Prevent Declarant, its contractors or subcontractors from doing in the Project whatever is reasonably necessary or advisable in connection with the completion of said work; or (b) Prevent Declarant or its representatives from erecting, constructing and maintaining on any part or parts of the Project such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Project as a residential community and disposing of the same in parcels by sale, lease or otherwise; or (c) Prevent Declarant from conducting on any part of tale Project its business of completing said work, and or establishing a plan of Residential Lot ownership and of disposing of said Residential Lots by sale, lease or otherwise; or (d) Prevent Declarant from maintaining such sign or signs on any of the Residential Lots or any portion of the Project as may be necessary.

BINDING ARBITRATION

ARBITRATION OF DISPUTES

Except as expressly provided herein or by law, any dispute, controversy or claim by any Owner(s), (collectively "Claim") against Declarant, its successors, assigns, agents or brokers, and/or any contractor, subcontractor, architect, materialman, or other person or entity involved in the planning, development or construction of the Project or any component part thereof, shall be handled as follows:

(a) The Owner or Owners, as the case may be, shall deliver written notice of the nature of such Claim to Declarant and any other involved person or entity within one (1) year of becoming aware of the existence of such Claim, or the facts giving rise to such Claim. For purposes of this Section, knowledge of such Claim shall be deemed to exist, without limitation, upon the identification of such Claim or facts relating thereto, in (i) a written report prepared following an inspection in accordance with the inspection provisions contained herein, (ii) a writing by an Owner to either Declarant or the Board, or (iii) upon the discovery of such Claim.

(b) If Declarant or another involved party selects, within one hundred twenty (120) days of the date of receipt of such written notice of a Claim, it shall be provided with access to the Property and a reasonable opportunity and time period to cure or otherwise resolve such Claim.

(c) An such Claim, if not otherwise resolved in accordance with subparagraph (6) above, shall be submitted to and settled by binding arbitration in accordance with subparagraph (b) above, constitute the sole and exclusive remedy for there solution of any such Claim.

ARBITRATION PROCEDURES AND RULES

Any arbitration instituted pursuant to this Declaration shall be conducted in accordance with the Commercial Arbitration Rules or the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The decisions of the arbitrator, including the determination of the amount of any damages suffered, if any, shall be conclusive, final and binding upon all the parties, their heirs, executors, administrators, successors, assigns, officers, directors and shareholders, as applicable. On the demand of the arbitrator or any party to an arbitration initiated hereunder, and after reasonable opportunity to join in and become a party to such arbitration, all of the parties to such arbitration and such concerned parties shall be bound by such arbitration proceeding. If any party refuses or neglects to appear at or participate in such arbitration proceeding, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented by the party or parties who do participate. The arbitrator is authorized to award any party or parties such sums as it considers proper for the time, expense and trouble of arbitration, including arbitrator fees and attorneys' fees. made a part of, and made applicable to this article.

WAIVER OF ARBITRATION

In the event any legal action or proceeding is instituted by a party (which is subject to this Section) in connection with any matter for which arbitration under this Section may be required, such party conclusively shall be deemed to have waived its right to require arbitration hereunder, and any party (which is also subject to this Section) named in such action or proceeding may, at any time within thirty (30) days after being served by proper service of process with respect to such action or proceeding, require by written notice delivered to the first mentioned party that such matter be determined by arbitration pursuant to this Section, and such requirement shall be binding on all such parties. A party's failure to require such arbitration within said thirty (30) day period will constitute waiver by such party of its right to require arbitration under this Section, and the party which instituted such action or proceeding also shall be deemed conclusively to have waived its right to require arbitration as of the end of said thirty (30) day period.

EXCEPTIONS

Notwithstanding anything contained in this Section to the contrary, the filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction or other provisional remedies, shall not constitute a waiver of the right to arbitrate under this Section.

OWNER OR OWNERS CLAIMS

In any arbitration for a dispute, controversy or claim by an Owner or Owners against Declarant, its successors and assigns, and/or any contractor, subcontractor, architect, materialman, consultant, or other person or entity involved in the planning, development or construction of the Project or any component part thereof, pertaining to the planning, development or construction of the Project or any component part thereof, not less than ninety percent (90%) of the amount actually awarded, if any, as a result of such arbitration must be utilized by the Owner or Owners, solely and exclusively, for the construction, reconstruction, repair or replacement of such Owner or Owners' property.

AMENDMENTS

Except as provided in the Section hereinafter entitled "Declarant's Approval", this Declaration may be amended by written instrument (or counterparts thereof) (i) signed and acknowledged by the Owners of at least seventy-five percent (75%) of the Residential Lots, (ii) for so long as Declarant owns a Residential Lot in the Project, approved in writing by Declarant, and (iii) filed for record in the Office of the Recorder of Deschutes County, Redmond. Each such amendment shall be come effective upon such recording.

DECLARANT'S APPROVAL

Notwithstanding anything contained in this Declaration to the contrary, for a period of five (5) years from the date of conveyance by Declarant of the last Residential Lot in the Project to a purchaser, amendment of the Section of this Declaration entitled "Binding Arbitration", shall require the written approval of the Declarant.

APPROVAL BY FHA OR VA

In the event the Project has been approved by the US Department of Veterans Affairs ("VA") or the Federal Housing Association ("FHA"), and provided that either VA or FHA Insurer guarantees a loan on a Residential Lot, any amendment of this Declaration shall require the approval of either the VA or FHA.

SEVERABILITY

Should any of the restrictions contained in this Declaration be void or become unenforceable in law or in equity, the remaining portions of this Declaration shall, nevertheless, be and remain in full force and effect.

SINGULAR INCLUDES PLURAL

Whenever the context or this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

LIBERAL CONSTRUCTION

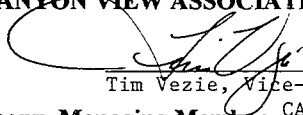
The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Project. The titles or headings of the Articles or Sections of this Declaration have been inserted for convenience and reference only and shall not be considered or referred to in resolving questions or interpretation or construction.

IN WITNESS WHEREOF, the undersigned, being Declarant herein, has executed this instrument on February 24, 1997

DECLARANT; CANYON VIEW ASSOCIATES L.L.C.

 T.V.
John P. Lietz

Vice President, The Pennbrook Company, Managing Member


Tim Vezie, Vice-President, Partner

CANYON VIEW ASSOCIATES, LLC

STATE OF OREGON,

County of

Deschutes

} ss.

FORM No. 23--ACKNOWLEDGMENT.
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BE IT REMEMBERED, That on this 27th day of March, 1997,
 before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within
 named Tim Vezie, Partner
 known to me to be the identical individual..... described in ~~and~~ who executed the within instrument and
 acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
 my official seal the day and year last above written.



Vicki L. Bulkley
 Notary Public for Oregon
 My commission expires 10-15-00

ADDENDUM TO CC&R'S

RIM LOT DEVELOPMENT

Before any improvements or alterations may be undertaken on a homesite within the Canyon View Estate Rim Lots, the owners must obtain advance written construction approval from the Declarant.

Construction design must conform to the following rules and guidelines.

Building Height

A standard building height limitation of 20 feet is established in order to preserve views form adjacent and nearby homes and to minimize the impact of structures on the natural areas of the development. Height shall be measured from the maximum ridgeline down to existing and undisturbed elevation of a point on the property as determined by the intersection of lines connecting the property corners.

Building Size

A minimum size of 1,800 square feet must be included as interior living space in every home, excluding garage area. Outside decks and breezeways are not to be included in the interior space calculation. Lot coverage by the buildings and structure shall not exceed 35% of the total lot area. Paved areas and eaves that project beyond the foundation shall not be included in the lot coverage calculation. Covered decks or porches shall be included in the calculation.

Neighboring Views

Structure locations and designs must take into consideration the preservation of natural site features and will not unreasonably restrict views of neighboring homesites.

Driveways

Driveway cuts into Canyon View Estates rim lots will be limited to one per homesite unless the Declarant rules that a particular site's physical layout makes such a restriction extremely difficult or impractical. Driveway widths shall be restricted to one car width where possible and the amount of paved areas exposed to view from neighboring homesite or common roadways shall be kept to a minimum. Driveway material shall be hard surface: asphalt, concrete or masonry.

Hot Tubs and Pools

Exterior hot tubs, saunas and swimming pools must be fully screened from neighboring views and designs and drawings for these features, including site plans, must be included in the submitted plans and are subject to Declarant approval.

Accessory or Construction Buildings

Buildings to be used as temporary construction shelter may be temporarily erected on a homesite prior to construction of the main residence building, and only in conjunction with actual construction work. Structures such as tool sheds, dog houses, etc. which are not permanent are specifically prohibited. Any temporary shelter or building must be approved in advance by the Declarant, and removed as soon as it is not necessary. In any case the maximum allowable time for a temporary structure to be allowed on a homesite is ninety day (90 days).

Adjacent Private Property

Under no circumstances may adjacent private or development property be used for access to any other lot, or for any construction purpose without the express and written consent of the owner and the Declarant. Adjacent property may also not be used for parking of any equipment or construction workers' vehicles.

The homesite owner and/or his contractor or builder shall be held fully responsible for any damage to private property. The amount of the Builder Security Deposit (see below) shall not limit the extent of liability for damage done by the contractors.

Construction Noise/Behavior Guidelines

In consideration of neighbors no loud radios or excessive unnecessary construction noise shall be permitted on a job site. No boisterous or rude behavior will be allowed. Any pets belonging to construction workers must be leashed at all times and if loud or unruly may be banned by the Declarant.

Exterior construction work, or the operation of noisy construction equipment is not allowed on Sundays or National holidays, and may not begin before 7:30 AM on any other day.

Builder/Contractor Security Fee

Once final construction design approval has been given by the Declarant, but before the designated builder may begin site preparation or construction, he must make a \$1,000 Builder Security Deposit to the Declarant and submit a signed Builder Information and Security Deposit Form. The fee is fully refundable minus any costs of repair or damage to private property which is caused by the builder, contractor, or subcontractors. Any refund due shall be made only after final inspection of the completed home and construction site by the Declarant and execution by the Declarant of a Final Completion Approval Notice. The designated builder and ultimately the homesite owner shall be responsible for all construction activities, whether by his own employees, or by subcontractors or their employees working on the job site.

If the Declarant detects any damage to development or other private property which it feels is the result of activities by the builder, they will issue a Non-Compliance Notice to the builder and the homesite owner. The Builder will then have an amount of time stated in the notice to make necessary

repairs, improvements, or adjustments. Should he not respond in a timely manner and solve the problem, the Declarant may arrange for the remedial work to be done by another contractor of their choice and then deduct the cost of required work from the builders Security Deposit. Should the cost of repair of the damage exceed the amount of the security deposit, the designated builder and/or the homesite owner shall be fully responsible for the full cost of repair, regardless of the amount of the security deposit.

Construction Dumpster/Refuse Containment

Adequately sized refuse dumpsters shall be provided by the builder, at his expense, and shall be situated on the construction site at all times during the construction period. The construction site shall be kept clean and orderly at all times, with papers, loose material and miscellaneous building supplies neatly stored or disposed of within a refuse dumpster.

Animal Runs and Animal Restraints

All animal runs and animal restraint areas shall be preapproved by the Declarant and constructed and situated in such a way as to make them completely concealed or screened from the view of nearby roads, the canyon, and neighboring homesites.

Chimneys

All exterior chimneys must be made of wood, stone or brick, and must incorporate a flue shroud and a spark arrestor. A metal chimney top must be of such a color as to blend aesthetically with the residence and is subject to Declarant approval.

Exposed Metal

Any Exposed metals such as roofing, flue pipes, fireplace chimneys and caps, plumbing stacks, flashings, spark arrestors, etc. must be painted flat black, or a color that will blend aesthetically with the residence. Any such colors are subject to Declarant approval.

Exterior Antennas/Satellite Antennas

Exterior mounted radio and television antennas, are not permitted. No television satellite disks or antennas may be visible from the roadways, canyon or other homesites.

Standard Setbacks

No improvements shall be constructed such that they encroach within the "setback area" individually designated for each lot. The Standard setback lines (in feet from the property lines) are

Front: 30 feet
Rear: 20 feet
Side: 10 feet

Setback requirements apply to any manmade structure above grade including steps, decks, porches, eaves, pools, hot tubs, etc. Notwithstanding approval from the Declarant of a proposed site plan, final construction approval is subject to local governmental approval and permits.

Permanent Outdoor Furniture and Accessories

Location of permanently placed outdoor furniture fixtures or equipment such as swings, picnic tables barbecues, arbors, jungle gyms, tree houses, etc. must be approved by the Declarant. Outdoor furniture and accessories shall not infringe on setbacks and must be properly maintained. Swings sets and other play equipment shall be screened from adjacent view or be painted or constructed to blend with the natural surroundings, as approved by the Declarant.

Drainage

The existing drainage on each homesite shall be carefully consider when siting and improvement. The natural drainage pattern should be preserved if possible and the drainage impact on neighboring homesites and the canyon shall be taken into account in the approval process.

Excavation

Each homesite shall be developed with a minimum modification or disruption to the exiting topography. All dirt, fill and debris resulting from excavation must be removed from the homesite, or applied to the landscape in a manner pre-approved by the Declarant. To the extent feasible, all grading shall conform to natural contours of the land.

Hillside Construction

There shall be no exposed under structures of homes built on a hillside. Siding material must extend to within eight inches of the finished grade and skirt walls more than four feet from the finish floor level shall have foundation landscaping to reduce the scale of the skirt wall.

Fencing

Fences are allowed at Canyon View Estates according to specific approval by the Declarant only. Fences and hedges are not allowed outside property setback lines. A fence is defined as a structural barrier which separates one space from another, or which is constructed for ornamental purposes. Fences shall be limited to six feet in height and shall be connected to the house structure.

Draperies and Window Coverings

All draperies and window coverings visible from outside the home should be of materials and colors which harmonize with the surroundings and design and color of the exterior structure. No bright colors or metallic or mirrored surfaces should be visible from the exterior of the structure. Consideration should be given to the aesthetic view from neighboring homesites and the canyon.

Duplication

No repetition of house design or exterior decoration shall be allowed within Canyon View Estates without specific pre-approval from the Declarant.

Exterior Lighting

Exterior lighting which can be seen from roadways or neighboring homesites must be indirect. The light source must not be clearly visible from outside the fixture (must be indirect). Decorative and/or landscaping lighting may be subject to reasonable limitations imposed by the Declarant. All exterior lighting plans must be submitted for approval to the Declarant, including substantive alterations to existing lightning.

Firewood

Firewood and all other stored materials must be out of sight of the adjacent homesites, inside a Declarant approved structure or storage area (i.e. garage).

Gutters and Downspouts

All gutters and downspouts shall be designed in as a continuous architectural feature, consistent with the building design. Exposed gutters and down spouts shall be colored to blend with the surface to which they are attached.

Heating and Cooling Systems

All exterior parts of the heating and cooling systems must be screened from view from the canyon and adjacent homesites, and where applicable, must be insulated to reduce noise to acceptable levels at adjoining properties. No exterior parts may be located within the set back areas.

Service Yards

Each residence shall have a screened service yard. enclosing garbage and trash containers, clothes drying equipment, bicycles, outdoor maintenance equipment, etc., if such storage is not otherwise provided by other parts of the main structure (garage).

Signs

No signs shall be placed or kept on any residence or homesite, other than signs stating the name and address of the occupant, except when the owner or his agent wishes to advertise the property for sale or rent, he may do so within limitations set forth by the Declarant. Only one "for sale" or "for rent" sign may be displayed per homesite. The sign will have a maximum size of 12 inches by 18 inches, and must be professionally made. Also, during construction the owner's builder may have one sign no larger than 18 inches by 24 inches. There are to be no subcontractor or lender signs allowed. Colors and designs of the signs must harmonize with the surrounding landscape and are subject to approval by the Declarant.

In addition, one "open house" sign may be displayed on a temporary (one day at a time) basis when a home site is offered for sale. Such signs shall be no larger than 18 inches by 24 inches and shall be professionally made. "open house" signs must be removed at dusk or when the home is not being shown.

Under no circumstances may an owner or his agent place any kind of sign on other private, common property.

Skylights and Solar Devices

All glass, plastic, or other transparent skylight or solar device shall be treated to eliminate glare. Clear, bronze or gray glazing is preferred over white translucent. Flat skylights are preferred over domes. Any solar heating system must be review and approved by the Declarant prior to construction. Solar heating systems to be constructed on the outside of a residence shall be considered as to how they impact the aesthetics of the view from the canyon and adjacent homesites and shall require pre-approval by the Declarant.

Solar Encroachment

Any plantings that interfere with the existing use of solar energy on an adjacent homesite is prohibited and improvements may be subject to Deschutes County solar setback requirements

Utilities

Connection of utilities from trunk lines to individual structures must be underground. Exposed plumbing or electrical lines are not allowed. Materials and installation must conform to the electrical and plumbing codes as established by Deschutes County. Water and sewer hookups must be approved the appropriate inspectors. All areas of excavation for site utility work must be fully restored. Utility meter panels must be hidden from view from the canyon, roadways and adjacent lots.

Parking

Each residence will include a garage for at least 2 cars, which must be connected to the main structure. In addition, a minimum of two exterior parking spaces shall be required for each homesite. Camping vehicles/trailers, trucks, campers, boats, cars under repair, trailers, recreational equipment, etc. shall be completely hidden from view of the canyon, roadways and adjacent homesites. Over-sized garage doors are not permitted.

Exterior Material Treatment

Exterior materials used on all exterior building or structure wall shall present a consistent appearance in order to achieve a uniform design. Exterior colors must harmonize with the surrounding landscape and all colors are subject to approval by the Declarant. Exterior color treatment shall be continuous on all elevations. Duplication of colors of nearby homes is discouraged.

Exterior Walls and Trim

The following materials are approved for use in exterior walls and trim:

- a. Wood: treated with earth tone semi-transparent or solid stains, or earth tone paints. In most cases, siding applications that involve a mix of directions (horizontal, diagonal, vertical) are discouraged. Use of plywood type, or pressed wood siding is strongly discouraged are would require special Declarant pre-approval.

b. Brick: medium to dark earth tone colors. Light-colored brick or contrasting colored brick is discouraged.

c. Textured Masonry block: units are not to exceed 4 inches in height and must be in dark earth tone, natural colors.

d. Stucco: natural colors allowed, according to Declarant approval.

e. Stone: natural earth tone colors and local area materials are recommended. Unusually colored or bright colored stone is discouraged. All stone work is subject to Declarant pre-approval.

Roof Materials

Wood shakes and shingles are approved for use, subject to Deschutes County building codes and Fire Department approval. Any type of wooden roofing material will require the installation of an approved exterior sprinkler system. Concern for fire potential is a major consideration and therefore preferred roofing materials include: slate, tile, concrete tile and metal shake. Ribbed metal roofing is not permitted. All roofing materials shall be of earth tone only and material and color are subject to Declarant approval.

Landscaping

Homesite landscaping is required to a minimum of 30 feet around each residence, subject to setback or lot boundaries. A portion of the landscaping plan shall be of lawn or grasses. Finished landscaping cannot be closer than five feet to boundary lines. All homesites shall be maintained to present a neat and pleasing appearance to the canyon and surrounding property. Landscaping shall be planned to help minimize fire danger for the area and to moderate the potential of blowing dust. In areas where the owner chooses to maintain a more natural appearance for the site, excess fuels (underbrush and dead branches) must be removed and the ground brush thinned. Steps must be taken to restore unsightly scarred areas due to construction activity or other soil damage, and to remove dead plant material and refuse from the site.

Landscaping that is added must include automatic irrigation system installation. A back flow preventer is required and must be maintained according to State of Oregon standards. Maintenance of the landscaping in an attractive condition is required. Landscaping must be completed within 60 days from the date which the residence is ready for occupancy, weather permitting, unless expressly permitted by the Declarant.

Landscaping areas of a homesite which can be seen from the canyon or adjacent homesites shall be treated in a casual, fluid manner so as to integrate well with the natural setting and aesthetics Canyon View Estates.

Trees and Shrubs

No tree over four inches in diameter, major shrub, large rock or other prominent vegetation or natural feature shall be removed from a homesite without the express written consent of the Declarant. Out of consideration for fire hazard, all trees left remaining on a homesite must have all lower dead limbs and branches removed to the 12-foot level. Moderate tree thinning is also recommended to promote vigor in adjacent trees and reduce fire risk, however all reasonable efforts should be made to preserve larger or finer specimens and trees with distinct character (i.e. pleasing or unusual shapes). Wherever practical, trees which screen views from adjacent lots and common roadways should be preserved. On the canyon view side of a homesite, special efforts should be taken to preserve a reasonable number of existing trees, particularly fine or interesting specimens, while also allowing for a reasonable canyon views from the homesite. A "reasonable view" does not mean a view totally devoid of trees however. To help enhance the views of the canyon from a within a homesite it is recommended that due consideration be given to thinning and trimming lower branches and limbs from larger trees resulting in a filtered view through the trees.

In an attempt to retain the natural and aesthetic character of Canyon View Estates efforts should be made to incorporate mainly native Central Oregon trees, shrubs and ground covers in the landscaping plan wherever possible. As much as is reasonable, harmony with the surrounding **natural** landscape should be the goal. In any case, all landscaping plans, including choice of plantings are subject to Declarant's approval.

For fire considerations, dry grasses and brush under trees must be maintained low enough so that the trees overhead could not be ignited from below in case of fire. Ground vegetation should be dispersed to create variety in vertical and horizontal spacing, and to reduce the danger of spreading fire.

Berms

Berms are allowed where appropriate with a maximum height of 48 inches. No fences will be allowed over berms. Berm design and construction must be approved by the Declarant.

Maintenance

Each homesite owner is required to keep his homesite, landscaping, and all improvements in good repair and attractive condition.

Design and Constructions Considerations

Utilities

Electric power is supplied to each homesite through underground cables by Pacific Power and Light. Electric and all other services to improvements on a homesite must also be underground.

Heating oil or propane gas (or other gas fuels) are provided by local suppliers however any tanks or reservoirs must be approved by the proper regulating authorities and must totally hidden from view from the adjacent homesites, or roadways.

Sewer connection is located at each lot and sewer service is provided by the City of Redmond. Applicable connection fees and service fees are determined by the city and individually billed to the owner.

Water service is available at each homesite and is provided by City of Redmond water system. The hookup fee and monthly water rates are initially set by the developer but will later be determined by an appointed board of directors chosen from homesite owners.

Underground telephone and cable TV service are also provided to each homesite.

Building Permit Requirements

Canyon View Estates is under the auspices of the City of Redmond, Deschutes County, Oregon. The County has adopted the Uniform Building Code as amended by the State of Oregon. The City requires that a building permit be obtained prior to beginning of construction of any improvement or addition. Notwithstanding any Declarant approval, City of Redmond and other governmental agency requirements or restrictions take precedence.

It should be noted that the City of Redmond has adopted solar setback standards which may have an impact on design and siting of residences.

Completion of Construction and Landscaping

As outlined in the Association Declaration, construction completion is required within one year of construction startup. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from the Declarant.

Landscaping must be completed within 60 days from the date of occupancy of the home, or substantial completion of the home, except in cases of undue hardship due to weather conditions or with special Declarant approval.

Severability

If any section, subsection, paragraph, sentence, clause or phrase of the rules and regulations is for any reason held by a court of competent jurisdiction to be invalid, such a decision shall not effect the validity of the remaining portion of these rules.

Non waiver

Consent by the Declarant to any matter proposed to it, or within its jurisdiction, or failure by the Declarant to enforce any violation of the rules or standards, shall not be deemed to

constitute a precedent or waiver impairing' the Declarant's right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent, or to enforce any subsequent or similar violation of these rules and standards.

SUBMITTAL AND APPROVAL PROCEDURES

The following steps are required for design approval, start of construction and completion of a residence at Canyon View Estates:

(1) Submit Design Submittal Form (Preliminary) along with all required items and documentation. (3 copies of all drawings required)

(2) Submit Design Submittal Form (Final) along with required items, documentation, including

(3) Declarant's fee. (Steps 1 can be bypassed: 3 copies of all drawings required)

(3) Receive conditional construction approval from the Declarant as evidenced by an executed Conditional Construction Approval Notice. Minor conditions of approval may be required by the Declarant as indicated in the notice

(4) Receive City of Redmond approval and building permits and any other government approval required.

(5) Arrange for builder (or general contractor) to submit a Builder information Form to the Declarant, along with a \$1000 Builder Security Deposit.

(6) Begin construction.

(7) Complete construction and landscaping then request a final site inspection by the Declarant to receive a Final Completion Approval Notice. After receipt of the approval notice, the builder is free to request his Builder Security Deposit to be returned minus the cost of any repair or damage.

PRELIMINARY DESIGN APPROVAL Preliminary design approval is recommended but not required. The purpose of the preliminary approval is to provide an opportunity for review of the proposed designs and early detection of attributes of the design which may not conform to the Declarant guidelines, the aesthetic goals of development at Canyon View Estates, or which may give specific concern to the Declarant members. The preliminary process allows the owner and designer to receive Declarant's advice regarding standards interpretation or design changes which may be requested by the committee, before unnecessary time and money have been expended. The goal of the preliminary process is for the Declarant to work with the owner to expedite easy approval of the final design.

Application for preliminary design approval requires submittal of a Design Submittal Form -Preliminary), plus: 3 copies each of:

- (1) Site Plan**
- (2) Building Elevation Drawings (4 sides)**
- (3) Floor Plans**
- (4) Landscaping Plan**
- (5) Materials/Exterior Colors Specifications & Samples**

(Specific details of these items are listed below under "Definitions")

The preliminary design application will not begin until all items above are fully provided by the owner or his agent. No fee is required for consideration of preliminary design approval.

After scrutinizing the preliminary design as submitted, if modifications are required, the Declarant will either discuss recommendations directly with the owner and/or designer, or issue a Design Modification Request Notice. If the design is fully or substantively approved as a preliminary plan, a Conditional Preliminary Design Approval Notice will be issued. Preliminary approval by the Declarant shall not be deemed as final approval of the design or construction, but as an indication of advice and recommendations by the Declarant paving the way for final approval. Regardless of preliminary design approval, final design approval must still be obtained as indicated below, before the design shall be considered fully approved (subject to conditions of the final approval notice), and before construction may begin.

FINAL DESIGN APPROVAL

Final design approval must be obtained before construction can begin. As indicated, the preliminary approval process can be skipped in favor of one all-inclusive application for final approval.

Application for final design approval requires submittal of a signed Design Submittal Form (Final) plus:

3 copies each of:

- (1) Site Plan**
- (2) Building Elevation Drawings (4 sides)**
- (3) Floor Plans**
- (4) Landscaping Plan**
- (5) Materials/Exterior Colors Specifications & Samples**

and...

- (6) Accurately stringing the lot for the structure footprint, lot boundaries & driveway.**
- (7) Marking all trees slated for removal with red tape.**
- (8) Submittal of a \$250 fee to: Canyon View Estates: Declarant**

(Specific details of these items are listed below under "Definitions")

The approval process can not begin until all above requirements are met. Upon review of the design as submitted the Declarant will respond with approval of the design, or with an explanation of required modifications to the plan within 30 days of the date all fees, documents and application requirements were fully met.

If the committee fully or substantively approves of the design as submitted, the Declarant will execute and deliver to the owner a Conditional Construction Approval Notice. This notice may list minor adjustments to the design which are a condition of the approval. If the committee feels that substantial design modifications are required, a Design Modification Request Notice will be issued, describing concerns or objections the Declarant has regarding the design as submitted.

INSPECTION

Submittal of an Design Submittal Form shall authorize the Declarant to make necessary on-site inspections of the proposed homesite and improvements. The owner is responsible to notify/the Declarant upon completion of construction and request a final inspection, at which time the Declarant shall verify compliance with the design and plan as previously approved.

EXPIRATION OF APPROVAL

Design approval is valid for construction substantially started within one year of the date of approval. If construction has not begun within one year, a new application must be submitted.

DEFINITIONS

Site Plan: The site plan must complete and at a minimum scale of 1" to 20'. The site plan shall include the perimeter dimensions of the homesite, building and access locations, the topography (with five foot contours), location of all decks, fences, driveways, walkways, and all easements and setbacks as shown on the application subdivision plot

Building Elevations: Elevation drawings of all four sides of the proposed structure as situated on the homesite are required at a scale of 1/4" = 1'

Floor Plans: Floor plans for construction shall be submitted as a scale of 1/4" = 1'. The square footage of each floor shall be designated as well as the total square footage of the proposed plan.

Landscaping Plan: A comprehensive landscaping plan with a minimum scale of 1" = 10' must be submitted as part of the application for design approval. The plan must illustrate the any proposed changes to the contour of the homesite, note driveways, walkways, and any other proposed "floor" surface designs and materials; list names, quantities and sizes of plant materials; show layout of automatic irrigation system, show any berming or raised beds, rock work, fences,

etc. The location of all trees larger than 4 inches in diameter must be indicated on the plan with those slated for removal clearly marked.

Materials/Exterior Colors Specification & Samples: Details and samples of exterior materials (roofing, siding, etc.) must be submitted with the application, along with paint and stain samples or chips.

Accurately Stringing the Lot for Structure Footprint, etc.: The owner is responsible for providing a string layout of the lot boundaries, proposed structure, driveway and on-site parking at the time of application.

Mark All Trees Slated for Removal with Red Tape: In addition to clearly indicating all trees slated for removal on the landscaping plan, the owner is responsible to physically mark each slated tree with red plastic tape (surveyor's tape).

ALTERATION OF EXISTING IMPROVEMENTS OR HOMESITES

Before any improvement in Canyon View Estates can be altered or refinished, whether by excavation, fill, alteration of existing drainage, exterior color change or covering material change, alteration to the landscaping, removal of trees or major shrubs, construction of new structures or additions to existing structures, advance approval must be obtained from the Declarant. The approval process requires submittal of a Request For Alteration Approval Form to the Declarant and provision of one or more of the following as deemed necessary by the Declarant according to the extent and nature of the proposed alterations:

- (1) Site Plan
- (2) Building Elevation Drawings (4 sides)
- (3) Floor Plans
- (4) Landscaping Plan
- (5) Materials / Exterior Colors Specifications & Samples
- (6) String Layout of the Alteration or Improvement
- (7) Marking all trees slated for removal with red tape.
- (8) Submittal of a \$150 fee to: Canyon View Estates- Declarant (if the alteration is major)

The Declarant will respond within 30 days with approval or required modifications. Approval of the requested alterations will be evidence by an executed Conditional Alteration Approval Notice.

INSPECTION

Submittal of a Request For Alteration Approval Form shall authorize the Declarant to make physical on-site inspections of the homesite to inspect the site of proposed alterations. The owner is also responsible to notify the Declarant upon completion of the alteration and request a final inspection of the work.

EXPIRATION OF APPROVAL

Approval to undertake alterations expires after six months and alterations begun must be completed within the time period indicated in the Conditional Alteration Approval Notice.

LIST OF DECLARANT FORMS AND NOTICES**Forms:**

Design Submittal Form (Preliminary and Final) (Declarant-F-13)
 Builder Information & Security Deposit Form (Declarant-F-2)
 Request For Alteration Approval Form (Declarant-F-3)

Notices:

Conditional Preliminary Design Approval Notice (Declarant-N-1)
 Conditional Construction Approval Notice (Declarant-N-2) Design
 Modification Request Notice (Declarant-N-3) Conditional Alteration
 Approval Notice (Declarant-N-4) Final Completion Approval Notice
 (Declarant-N-5) Friendly Reminder Notice (Declarant-N-6)
 Non-Compliance Notice (Declarant-N-7)

File Documents:


Declarant Application Status Sheet
 Design Approval Worksheet

IN WITNESS WHEREOF, the undersigned, being Declarant herein, has executed this instrument on February 24, 1997

DECLARANT; CANYON VIEW ASSOCIATES L.L.C.


 John P. Lietz

Vice President, The Pennbrook Company, Managing
 Member


 Tim Vezie, Vice-President, Partner
 CANYON VIEW ASSOCIATES, LLC

STATE OF OREGON,

County of

Deschutes

} ss.

FORM No. 23—ACKNOWLEDGMENT.
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BE IT REMEMBERED, That on this 27th day of March, 19 97
 before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within
 named

Jim Vezie, Partner

known to me to be the identical individual..... described in and who executed the within instrument and
 acknowledged to me that he..... executed the same freely and voluntarily.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
 my official seal the day and year last above written.

Vicki L. Bulkley
 Notary Public for Oregon
 My commission expires 10-15-00

EXHIBIT "A"

A parcel of land situate in a portion of the Southwest Quarter of the Northwest Quarter (SW1/4 NW1/4) of Section Four (4), Township Fifteen (15) South, Range Thirteen (13) East of the Willamette Meridian, Deschutes County, Oregon, more particularly described as follows:

Commencing at a 3 1/4 inch aluminum cap monumenting the North Quarter corner of Section 4, the initial point; thence South 00° 42' 06" West along the East line of the NW1/4 of said Section 4, 2643.28 feet to a 2 inch pipe on the South line of said NW1/4; thence South 89° 51' 40" West along said South line, 1316.04 feet to the East line of the SW1/4 of said NW1/4 and the true point of beginning; thence South 89° 51' 40" West along said South line, 454.69 feet to a 1/2 inch pipe on the brink of a canyon rim; thence along the brink of said rim as follows: North 12° 40' 27" East, 213.59 feet; thence North 24° 36' 56" West, 242.94 feet; thence North 10° 42' 45" West, 59.61 feet; thence North 40° 49' 11" West, 106.32 feet; thence North 34° 06' 48" West 273.90 feet; thence North 20° 09' 41" West, 87.42 feet; thence North 45° 51' 18" West, 191.10 feet; thence North 37° 34' 40" West, 89.86 feet; thence North 24° 31' 56" West, 255.84 feet to a 5/8 inch re-bar on the North line of said SW1/4 NW1/4, thus ending this boundary along said brink; thence North 89° 56' 13" East along said North line, 1086.42 feet to the East line of said SW1/4 NW1/4; thence South 00° 39' 03" West along said East line, 1314.34 feet to the point of beginning.

EXCEPTING THEREFROM the following described property: Commencing at a 3 1/4" aluminum cap monumenting the North 1/4 corner of Section 4, Township 15 South, Range 13 East of the Willamette Meridian, the initial point; thence South 00° 42' 06" West along the East line of the NW1/4 of said Section 4 - 2643.28 feet to a 2" pipe on the South line of said NW1/4; thence South 89° 51' 40" West along said South line - 1316.04 feet to the East line of the SW1/4 of said NW1/4 and the true point of beginning; thence North 89° 51' 30" West along said South line - 342.27 feet to the NE corner of Lot 1, Block 2 of NORTH CANYON ESTATES and the West line of North Canyon Drive; thence North 30° 38' 15" East along the prolongation of the West line of said Drive - 30.00 feet to a 1/2" pipe on the North R/W of NE Quince Avenue; thence North 89° 51' 40" East along said R/W - 342.27 feet to a 1/2" pipe on the East line of said SW1/4 NW1/4; thence South 00° 39' 03" West along said East line - 30.00 feet to the point of beginning.

STATE OF OREGON)
COUNTY OF DESCHUTES) ss.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

97 MAR 28 AM 11:53

BY J. J. Gmorski DEPUTY
NO. 97-10276 FEE 135
DESCHUTES COUNTY OFFICIAL RECORDS