

**Return to Western Title & Escrow**

After Recording Return to:  
FC Fund, LLC  
475 NE Bellevue Drive, Suite 210  
Bend, OR 97701  
Attn: Curt Baney

72982

Deschutes County Official Records	<b>2013-012461</b>
<b>D-CCR</b>	<b>03/27/2013 09:48:08 AM</b>
Stn=1 BN	
\$70.00 \$11.00 \$10.00 \$16.00 \$6.00	<b>\$113.00</b>
I, Nancy Blankenship, County Clerk for Deschutes County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.	
Nancy Blankenship - County Clerk	

**DECLARATION OF PROTECTIVE COVENANTS,  
CONDITIONS AND RESTRICTIONS  
FOR GLENEDEN II**

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR GLENEDEN II (this "Declaration"), to be effective upon its recording in Deschutes County, Oregon, is made and executed on the date hereinafter set forth by FC Fund, LLC, an Oregon limited liability company, hereinafter referred to as the "Declarant".

**WITNESSETH**

Declarant is the owner of certain real property in the City of Bend, Deschutes County, Oregon, described on Exhibit "A" attached hereto and incorporated herein by reference, and Declarant desires to subject the real property described on Exhibit "A" as shown on the duly recorded plat of Gleneden II to the terms and provisions of this Declaration.

NOW THEREFORE, Declarant declares that the real property described on Exhibit "A" shall be held, sold, hypothecated, and conveyed subject to the covenants, conditions, and restrictions declared below, which shall be deemed to be covenants running with the land and imposed on and intended to benefit and burden each Lot and other portions of the Property in order to maintain within the Property a community of high standards. Such covenants shall be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

**ARTICLE I - DEFINITIONS**

**Section 1.1 "City"**

"City" shall mean the City of Bend, Oregon.

**Section 1.2 "County"**

"County" shall mean Deschutes County, Oregon.

**Section 1.3 "Declarant"**

"Declarant" shall mean FC Fund, LLC, its successors and assigns, who are designated as such in writing by Declarant, and who consent in writing to assume the duties and obligations of Declarant with respect to the Lots acquired by such successor or assign.

**Section 1.4 "Declaration"**

"Declaration" shall mean this Declaration of Protective Covenants, Conditions, and Restrictions for Gleneden II and any amendments and supplements thereto made in accordance with its terms.

**Section 1.5 "Improvement"**

"Improvement" shall mean every structure or improvement of any kind, including, but not limited to, a Unit, landscaping, fences, wall, driveways, fixtures, shelters, or other product of construction efforts (including painting, alterations, and reconstruction).

**Recorded by Western Title as an accommodation only. No liability accepted for condition of title or validity, sufficiency or affect of document.**

Section 1.6 "Lot"

"Lot" shall mean any of the plots of land indicated upon the recorded subdivision map of the Property or any part thereof creating single-family home sites, with the exception of areas deeded to a governmental authority or utility, together with all improvements thereon.

Section 1.7 "Owner"

"Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

Section 1.8 "Plat"

"Plat" shall mean the duly recorded plat of Gleneden II, recorded in the official records of Deschutes County, Oregon on March 21, 2011.

Section 1.9 "Private Utilities"

"Private Utilities" shall mean utilities including but not limited to gas, electric, water, sewer, storm water, cable, and telecommunication service lines that are not public utilities.

Section 1.10 "Property"

"Property" shall mean the real property described on the attached Exhibit "A", and such additions thereto as may be made subject to this Declaration.

Section 1.11 "Relinquishment Date"

"Relinquishment Date" shall have the meaning given it in Section 2.1.

Section 1.12 "Unit"

"Unit" shall mean any residential dwelling situated upon any Lot.

**ARTICLE II - ARCHITECTURAL REVIEW**

Section 2.1 Architectural Review Committee. A committee to be known as the Architectural Review Committee (the "ARC") shall be established consisting of the number of members as determined by the Declarant; provided, however, at such time as Declarant relinquishes control of the ARC, as provided herein, the ARC shall consist of three (3) members. Declarant shall control the ARC and appoint members to the ARC until the sooner of (a) the date on which Declarant records a notice in the real property records of Deschutes County, Oregon relinquishing control of the ARC; or (b) the date on which Declarant no longer owns any Lot (in either case, the "Relinquishment Date").

Section 2.2 Formation of the Architectural Review Committee. On or before the Relinquishment Date, Declarant shall:

2.2.1 Call a meeting of all Owners to be held within thirty (30) days to elect three members of the ARC.

2.2.2 After the initial election, any two members of the ARC may replace a vacancy on the ARC. A failure of an ARC member to attend three consecutive meetings shall result in the automatic removal of such member from the ARC. Although the ARC shall not be a registered or organized entity, it shall operate in accordance with the rules of the Oregon non-profit corporate statute to the extent not inconsistent with the terms of this Declaration. If at any time, there is only one ARC member, that member may call a meeting of the Owners to elect members to fill the existing ARC vacancies. At any time, the Owners of five (5) or more Lots may call a special meeting of the Owners to remove any ARC members and/or to elect new ARC members. Meetings of the Owners for purposes of Section 2.2 shall be called as follows: (a) a written notice shall be mailed to the legal

address for each Lot specifying the date, time and place of the meeting; and (b) the meeting shall be not less than 10 days nor more than 30 days from the date the notice is mailed.

2.2.3 The following shall apply to properly-called meetings to elect ARC members: No quorum at such meeting shall be required; the members of the ARC shall be elected by the Owners present at the meeting; provided, however, there shall be only one vote per Lot. Cumulative voting shall not be permitted; each Owner may vote for the number of candidates that equals the number of vacancies to be filled on the ARC; and the winner(s) shall be determined by number of votes.

2.2.4 Except for individuals appointed by Declarant, only Owners within Gleneden II may serve as members of the ARC.

2.2.5 Within thirty (30) days after the initial election, the ARC members may adopt any governing documents and procedures deemed necessary or advisable by such members.

2.2.6 In the event Declarant is unsuccessful in organizing the election of ARC members within the thirty day organizational period specified above, Declarant shall have no further responsibilities relating to the ARC and the Owners of Lots within Gleneden II. Such failure of organization of the ARC shall not affect the existence of the ARC or the effectiveness of this Declaration.

2.2.7 The purpose of the ARC is to enforce the architectural standards of the community and to approve or disapprove plans for improvements proposed for the Lots.

2.2.8 The ARC shall have the authority to charge a reasonable review fee to cover the costs of operating the ARC; provided, however, no ARC member shall be entitled to any compensation.

2.2.9 The ARC shall act by simple majority vote, and shall have the authority to delegate its duties or to retain the services of a professional engineer, architect, designer, inspector or other person to assist in the performance of its duties.

#### Section 2.3 Architectural Manual

The ARC (or the Declarant before the Relinquishment Date) may adopt, and from time to time, amend, modify, or revise an Architectural Manual. Prior to the Relinquishment Date, the Declarant may adopt, amend, modify and revise the Architectural Manual from time to time without the consent of anyone else. Thereafter, adoption and revisions of the Architectural Manual shall require the written consent of all members of the ARC, or, if the ARC is made up of fewer than three (3) members, such adoption or revisions shall require the written consent of owners of not less than fifty-one percent (51%) of the Lots. No amendments, modifications, or revisions shall affect any prior ARC approval.

#### Section 2.4 Scope of Review

No building, fence, wall, patio, deck, outbuilding, landscaping, pool, athletic facility or other structure or improvement shall be erected, altered, added onto or repaired upon any portion of the Property without the prior written consent of the ARC, provided however, that improvements erected, altered, added onto or repaired by Declarant shall be exempt from the provisions of this Article II.

#### Section 2.5 Submission of Plans

Before the initiation of construction upon any Lot, the Owner thereof shall first submit to the ARC a complete set of plans and specifications for the proposed improvements, including site plans, grading plans, landscape plans, floor plans depicting room sizes and layouts, exterior elevations, specifications of materials and exterior colors, and any other information deemed necessary by the ARC for the performance of its function pursuant to the procedure outlined in the Architectural Manual (if any). In addition, the Owner shall submit the identity of the individual or

company intended to perform the work and projected commencement and completion dates. In the event an Owner submits plans or specifications to the ARC that are not adequate to permit the ARC to make an informed determination under this Article, the ARC shall have the authority to require the Owner submitting the inadequate plans or specifications to retain, at the Owner's expense, the services of a professional engineer, architect, designer, inspector or other person to assist in the preparation of a sufficient submittal to the ARC.

#### Section 2.6 Plan Review

Upon receipt by the ARC of all of the information required by this Article II, it shall have thirty (30) days in which to review said plans. The proposed improvements will be approved if, in the sole opinion of the ARC: (i) the improvements will be of an architectural style and material that are compatible with the other structures in the Property; (ii) the improvements will not violate any restrictive covenant or encroach upon any easement or cross building set back lines; (iii) the improvements will not result in the reduction in property value, use or enjoyment of any of the Property; (iv) the individual or company intended to perform the work is acceptable to the ARC; and (v) the improvements will be substantially completed, including all cleanup, within three (3) months of the date of commencement (six (6) months for the construction of a complete house). If the ARC fails to issue its written approval, or rejection, within thirty (30) days of its receipt of the last of the materials or documents required to complete the Owner's submission, the ARC's approval shall be deemed to have been granted without further action.

#### Section 2.7 Non-conforming Structures

If there shall be a material deviation from the approved plans in the completed improvements, such improvements shall be in violation of this Article II to the same extent as if erected without prior approval of the ARC. The ARC or any Owner may maintain an action at law or in equity for the removal or correction of the non-conforming structure and, if successful, shall recover from the Owner in violation all costs, expenses and fees incurred in the prosecution thereof.

#### Section 2.8 Immunity of Declarant/ARC Members

Neither the Declarant nor any individual member of the ARC shall have any personal liability to any Owner or any other person for the acts or omissions of the Declarant or the ARC under this Article II if such acts or omissions were committed in good faith and without malice.

#### Section 2.9 Limited Review

Any review and approval made by the ARC is limited to compliance with the intent of the architectural standards of the neighborhood as may from time to time be established by the ARC or the Architectural Manual. The review and approval made by the ARC is not to be construed as superseding, replacing, or modifying any review, approval, or permit required by any local, state or federal jurisdictional agencies. It is the applicant's responsibility to obtain and comply with any permits that may be required by any local, state, or federal jurisdictional agency.

#### Section 2.10 Address for Notice

Requests for ARC approval or correspondence with the ARC shall be addressed to Gleneden II at Gleneden II Architectural Review Committee, c/o FC Fund, LLC, 475 NE Bellevue Drive, Suite 210, Bend, Oregon 97701, or such other address as may be designated from time to time by the ARC. No correspondence or request for approval shall be deemed to have been received until actually received by the ARC in a form satisfactory to the ARC.

### **ARTICLE III - EASEMENTS**

#### Section 3.1 Declarant's Easement to Correct Drainage

Declarant hereby reserves for the benefit of Declarant a blanket easement on, over and under the ground within the Property to maintain and correct drainage of surface waters and

other erosion controls in order to maintain reasonable standards of health, safety and appearance and shall be entitled to remove trees or vegetation, without liability for replacement or damages, as may be necessary to provide adequate drainage facilities. Notwithstanding the foregoing, nothing herein shall be interpreted to impose any duty upon Declarant to correct or maintain any drainage facilities within the Property.

**Section 3.2 Reserved Easements**

Easements for installation and maintenance of utility and storm water retention/detention ponds are reserved as may be shown on the recorded Plat. Within these easement areas, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may hinder or change the direction of flow of drainage channels or slopes in the easements. The easement area of each Lot and all improvements contained therein shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

**Section 3.3 Plat Easements**

The Property shall be subject to all public and private easements delineated on the Plat.

**ARTICLE IV- USE, OCCUPANCY, CASUALTY, AND INSURANCE**

**Section 4.1 Residential Use**

All Lots and Units shall be kept and maintained primarily for single family residential purposes. In the event of a dispute as to whether a use constitutes "residential" use, the determination of the ARC shall be determinative.

**Section 4.2 Commercial, Institutional, or Other Non-Residential Uses**

No commercial, institutional, or other non-residential use (including residential day care facilities) shall be conducted on any Lot without the written approval of the ARC. The ARC shall not unreasonably withhold consent to a non-residential use if only normal residential activities would be observable outside of the Unit and the activities would not be in violation of applicable ordinances nor create additional traffic or the need for additional parking. The ARC shall not allow a use that diminishes the residential character of the Lot or neighborhood or imposes a nuisance on the neighborhood. Any such use must comply with all the use restrictions of this Declaration and all applicable law, including, without limitation, zoning requirements. Any Owner wishing to conduct any commercial, institutional, or other non-residential uses on any Lot shall first apply to the ARC for approval of such use and shall provide to the ARC any information deemed necessary by the ARC to evaluate the impacts of such use on the neighborhood. The decision of the ARC shall be final and conclusive. The ARC may review, and repeal, any such approval from time to time at the discretion of the ARC if, in the opinion of the ARC, the use has changed or increased to a level not consistent with the original approval. In no event shall the decision of the ARC as to permissibility of a requested non-residential use be construed as a representation of the legal permissibility of such use. This Section 4.2 does not restrict the right of an Owner to maintain Owner's professional personal library, keep Owner's personal business or professional records or accounts or handle Owner's personal business or professional telephone calls in Owner's Unit.

**Section 4.3 Garage Sales**

The provisions of this Article shall not apply to garage sales conducted entirely on an Owner's Lot, provided that no Owner shall conduct more than one (1) garage sale of no more than three (3) days duration during any six (6) month period.

Section 4.4 Declarant Use

The provisions of this Article shall not apply to the use of any Lot or Unit by the Declarant as i) a model home, sales office, or construction office; or ii) the use of any Lot as a site for a sales office trailer or construction office trailer.

Section 4.5 Casualty

In the event of damage to or destruction of a Unit, the Owner of the Unit shall either (a) remove all debris and restore the Lot to an attractive and hazard-free condition within thirty (30) days; or (b) repair, reconstruct, and rebuild the damaged or destroyed portions of the Unit to substantially the same condition that existed prior to the damage or destruction, which repair shall commence within six (6) months following the damage or destruction, and shall be diligently pursued to completion within twelve (12) months following the damage or destruction, unless work is delayed by causes beyond the reasonable control of the Owner.

**ARTICLE V- PROPERTY RIGHTS**

Section 5.1 Owner's Use and Occupancy

The Owner of a Lot shall be entitled to the exclusive use and benefit of such Lot. As such rights of an Owner of a Lot with respect to the Unit on such Owner's Lot is subject to the rights of the ARC and any representative of the ARC authorized by the ARC may at any reasonable time, and from time to time at reasonable intervals, enter upon any Lot for the purpose of determining whether or not the use of and/or Improvements on such Lot are then in compliance with this Declaration. No such entry shall be deemed to constitute a trespass, conversion, or otherwise create any right of action in the Owner of such Lot.

Section 5.2 Effect of Declaration

Reference in any deed, mortgage, trust deed or any other recorded documents to the easements, restrictions and covenants herein described or to this Declaration shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees, or trustees of said parcels as fully and completely as if those easements, restrictions and covenants were fully related and set forth in their entirety in said documents.

Section 5.3 Rezoning Prohibited

No Lot shall be rezoned to any classification allowing commercial, institutional or other non-residential use without the prior written consent of each Owner of an adjacent Lot. A Lot shall be adjacent for purposes of this Section 5.3 if it is separately from the Lot in question only by a road, street or alley.

Section 5.4 Lot Consolidation and Division

No Lot may be consolidated with another Lot and no Lot may be subdivided.

Section 5.5 Drainage Alteration Prohibited

The surface water drainage contours of each Lot shall conform to the approved grading plan established by Declarant. No Owner shall fill or alter any drainage swale established by Declarant, nor shall any Owner install landscaping or other improvements that divert surface water runoff from the drainage patterns, swales and easements established by Declarant without the prior, written approval of the ARC and the City of Bend.

**ARTICLE VI - USE RESTRICTIONS**

Section 6.1 Nuisances

No noxious or offensive activity shall be carried out upon any Lot, nor shall anything be done thereon which results in unreasonable noise levels or otherwise creates a nuisance.

## Section 6.2 Temporary Structures

No structure of a temporary character, including, without limiting the generality thereof, any trailer, tent, shack, garage, barn, motor home or mobile home or other outbuilding, and no prefabricated or relocated structure shall be used on any Lot at any time as a residence, either temporarily or permanently. This restriction shall not be interpreted to limit the right of a builder to use trailers for reasonable periods for construction-related purposes.

## Section 6.3 Signs

No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Unit, fence or other improvement upon such Lot so as to be visible from public view or mounted on any vehicle or trailer parked or driven in the subdivision or carried by any person or by any other means displayed within the subdivision except as provided below:

### 6.3.1 "For Sale" Signs

An Owner may erect one (1) sign not exceeding two (2) feet by three (3) feet in dimension, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of the ground advertising the property for sale.

### 6.3.2 "For Rent" Signs

An Owner may erect one (1) sign not exceeding three (3) square feet in area advertising the property for rent. Such signs shall be visible from the front of the Unit only, and shall be displayed from within the Unit. No such sign shall be erected within a lawn or landscape area on any Lot, or attached to the outside of the Unit.

### 6.3.3 Declarant's Signs

Signs or billboards may be erected by the Declarant and are exempt from the provisions of this Section.

### 6.3.4 Political Signs

Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.

### 6.3.5 Subdivision Identification Signs

Signs, monumentation or billboards may be erected by Declarant to identify the subdivision, with approval from the local jurisdictional authority, if applicable.

The foregoing restrictions shall not be deemed to prohibit the display of the flag of the United States by an Owner or occupant of a Lot if the flag is displayed in a manner consistent with federal flag display law, 4 U.S.C. § 1 *et seq.*

## Section 6.4 Campers, Boats, Recreational Vehicles, Commercial Vehicles, and other Non-Passenger Vehicles

No campers, boats, boat trailers, recreational vehicles, commercial vehicles, or other types of non-passenger vehicles, equipment, implements, or accessories shall be kept or stored on any Lot except (i) with the ARC's approval, and (ii) as provided below:

6.4.1 Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories shall not be stored or kept on any Lot unless the same are fully enclosed within the garage located on such Lot and/or said vehicles and accessories are in an operable condition and are screened from view by a screening structure or fencing approved by the ARC.

6.4.2 No disabled vehicles, campers, boats, boat trailers, recreational vehicles, recreational trailers, or other types of non-passenger vehicles equipment, implements, or accessories may be kept or stored on any street within the Property for any period in excess of forty-eight (48) hours.

6.4.3 The ARC, as designated in this Declaration, shall have the absolute authority to determine from time to time whether a vehicle and/or accessory is operable and adequately screened from public view. Upon an adverse determination by the ARC, the vehicle and/or accessory shall be removed and/or otherwise brought into compliance with this Section.

6.4.4 No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles, or other machinery or equipment shall be permitted in the streets within the Property, or in any driveway or yard adjacent to a street, or that is not screened from view.

#### Section 6.5 Pets, Livestock and Poultry

No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except for cats, dogs or other generally recognized household pets of a reasonable number, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, than no more than four (4) adult animals may be kept on a single Lot. All such animals shall be kept in strict accordance with all local laws and ordinances (including leash laws). Owners shall be responsible for cleaning up after their pets' waste in Gleneden II. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas which must be clean, sanitary, and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the ARC, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Property.

#### Section 6.6 Garbage and Refuse Disposal

No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, or disposed of, on any Lot except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No cans, bags, containers or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials shall be stored, kept, placed or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage, rubbish, or recyclable materials, and on which days only such cans, bags, containers, and receptacles may be placed in front of a residence and beside a street for removal, but shall be removed from view before the following day.

#### Section 6.7 Parking

The parking of vehicles is prohibited on any public or private street within the Property that is signed or otherwise marked for "No Parking" by a governmental authority. The Owner of each Lot shall maintain off-street parking on its Lot (inclusive of its garage and driveway) able to accommodate at least two (2) automobiles.

#### Section 6.8 Fences and Hedges

All fences must be approved by the ARC. All fences shall be a maximum of six (6) feet in height. Unless otherwise agreed between Owners, side and rear yard fences that separate adjacent Lots shall be owned and maintained by the Owner on whose Lot the fence exists, or if the location is indefinite, such fence will be maintained by the Owners whose Lots are involved jointly, with expenses being shared equally.



### Section 6.9 General Landscaping and Exterior Maintenance

All landscaping located on any Lot shall be properly maintained at all times by the Lot Owner. Each Lot Owner shall keep all shrubs, trees, grass, and plantings of every kind on his or her Lot cultivated, pruned, free of trash, and other unsightly material. All Improvements upon any Lot shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Lot Owner.

### Section 6.10 Antennae, Satellite Dishes and Solar Collectors

No Owner may erect or maintain a television or radio receiving or transmitting antenna, satellite dish or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless such apparatus is erected and maintained in such a way that it is screened from public view along the public street right-of-way directly in front (and side, in the case of a corner Lot) of the house erected on such Lot; and no such apparatus shall be erected without the prior written consent of the ARC. The ARC, as designated in this Declaration, shall have the absolute authority to determine whether an accessory is adequately screened from public view. The foregoing restriction and the authority of the ARC in this matter shall be subject to any regulations issued by the Federal Communications Commission ("FCC") or any other applicable governmental authority.

### Section 6.11 Clothes Hanging Devices

Clothes hanging devices exterior to a dwelling shall be temporary, unaffixed structures not to exceed six (6) feet in height and shall not be placed nearer to any street abutting the Lot than the side yard setback line or the back of the Unit constructed on the Lot. Clothes hanging devices shall be screened from public view by a fence approved by the ARC.

### Section 6.12 Window Treatment

No aluminum foil, reflective film, newspaper or similar treatment shall be placed on windows or glass doors.

### Section 6.13 Mailboxes

Mailboxes shall be erected and maintained upon areas determined by the U.S. Postal Service in accordance with the current postal authority standards. Street access to mail boxes shall be continuously maintained between 8:00 a.m. and 5:00 p.m.

### Section 6.14 Garages

Lots must have an enclosed garage able to accommodate at least two (2) automobiles. A garage shall be maintained solely for the storage of automobiles, and no garage may be enclosed or otherwise used for habitation, nor may any garage door be removed except when necessary to repair or replace a garage door with the same type of garage door. Residences constructed with garage space greater than two automobiles in size providing storage space and/or parking of a third automobile may be enclosed or otherwise used for habitation in all or part of this additional garage space only with the approval of the ARC.

### Section 6.15 Athletic and Recreational Facilities

Outdoor athletic and recreational facilities such as basketball goals, swing sets and sport courts of a permanent nature shall not be placed on any Lot in the subdivision between the street right-of-way and the front of a Unit; placement of these facilities in a permanent nature elsewhere on the Lot shall be approved by the ARC pursuant to Article VI. Temporary facilities including outdoor athletic and recreational facilities such as basketball goals, hockey goals, etc. shall not be placed within any street on the Property.

Section 6.16 Water and Sewage Systems

No individual water supply system or sewage disposal system shall be permitted on any Lot, including but not limited to water wells, cesspools or septic tanks.

Section 6.17 Exterior Holiday Decorations

Lights or decorations may be erected on the exterior of Units in commemoration or celebration of publicly observed holidays provided that such lights or decorations do not unreasonably disturb the peaceful enjoyment of adjacent Owners by illuminating bedrooms, creating noise or attracting sight-seers. Holiday decorations or lights for any publicly observed holiday between December 1 and December 31 of any year, may not be displayed before November 15<sup>th</sup> of any year. For other holidays, decorations or lights may not be displayed more than two (2) weeks in advance of the holiday. All lights and decorations that are not permanent fixtures of the Unit which are part of the original construction or have been properly approved as permanent improvements by the ARC shall be removed within thirty (30) days after the holiday has ended.

Section 6.18 Construction Activities

This Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction or remodeling of or making of additions to improvements by a Lot Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with diligence and conforms to usual construction practices in the area and any rules promulgated by the ARC. The ARC shall have the right to promulgate reasonable rules and restrictions regulating such construction activities; provided that Declarant shall be exempt therefrom.

Section 6.19 Unit Height

All residential building units shall be limited to two (2) stories in height and the highest point of any structure shall not violate any height restrictions imposed by the zoning ordinances of the local governmental jurisdictional authority.

Section 6.20 Household Chemicals

Owners shall be prohibited from dumping or otherwise disposing of household chemicals within the Property, including, but not limited to cleaning agents, automotive fluids, paint, solvents and other toxic chemicals.

**ARTICLE VII- PICKETING AND DEMONSTRATIONS**

Section 7.1 Prohibitions

By acceptance of the deed to any Lot covered by this Declaration, the Owner covenants and agrees with the Owners of all other Lots within the subdivision, that no Owner or resident of any Lot shall engage in picketing, protest marches, sit-in demonstrations, protest speeches or other forms of public protest, including without limitation, displaying signs or placards within public view, upon any Lot or within any Common Area, easement or street right-of way adjacent to any Lot, or affixed to any vehicle or apparatus upon or adjacent to any Lot. This prohibition shall not affect the right of any person to participate in any other form of public protest conducted outside the area depicted on the recorded subdivision Plat. No Owner or resident of any Lot shall engage in conduct that tends to vilify, ridicule, denigrate, or impugn the character of any other Owner or resident if such conduct occurs on any Lot, easement or street depicted on the subdivision Plat.

### Section 7.2 Acceptance of Prohibitions

Each Owner, by acceptance of the deed to any Lot, shall be deemed to have accepted the foregoing prohibitions as reasonable limitations on his or her constitutional right of free speech and to recognize and agree that all Owners have the right to the peaceful enjoyment of their property; the right of privacy; the right to practice their own religion; the freedom of association; the right to engage in a profession, business or life-style of their own choosing provided that the conduct of such profession, business or life-style is not illegal and does not otherwise violate any provision of this Declaration.

## **ARTICLE VIII - GENERAL**

### Section 8.1 Remedies

If any default by any Owner under the provisions of the Declaration shall occur, any Owner (including Declarant) shall have each and all of the rights and remedies which may be provided for in this Declaration, and those which may be available at law or in equity, and may prosecute any action or other proceedings against such defaulting Owner and/or others for damages or injunction, or specific performance, or for judgment for payment of money and collection thereof, or for any combination of remedies, or for any other relief. No remedies herein provided or available at law or in equity shall be deemed mutually exclusive of any other such remedy. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by any Owner. In the event of an enforcement action by an Owner or any other dispute among Owners, the prevailing party shall be entitled to its costs and expenses, including all attorneys' fees.

### Section 8.2 Term and Amendments

The covenants and restrictions of this Declaration shall run with and perpetually bind the land unless a signed petition containing the signatures of at least seventy-five percent (75%) of the votes outstanding is recorded in the Deed Records of Deschutes County, Oregon. This Declaration may be amended at any time by approval of at least seventy-five percent (75%) of the votes outstanding, and, prior to the Relinquishment Date, the consent of the Declarant. Notwithstanding the foregoing, no amendment to this Declaration shall change the boundaries of any Lot or any uses to which any Lot or Unit is restricted or the method of determining voting rights of any Lot unless the Owners of affected Lots or Units unanimously consent to the amendment. Declarant may, at its sole discretion and without consent being required of anyone, modify, amend or repeal this Declaration at any time before the closing of the sale on the first Lot, provided said amendment, modification, or repeal is in writing and properly recorded in the official records of Deschutes County, Oregon.

### Section 8.3 Regulatory Amendments

Notwithstanding the provisions of Section 8.2, until the Relinquishment Date, Declarant shall have the right to amend this Declaration or the Bylaws in order to comply with the requirements of any applicable statute, ordinance, regulation or guideline 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 Loan Mortgage 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 or the State of Oregon.

### Section 8.4 Severability

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions that shall remain in full force and effect.

#### Section 8.5 Rights and Obligations

The provisions of this Declaration and the rights and obligations established hereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording or the acceptance of a deed conveying a Lot or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration, whether or not mention thereof is made in said deed.

#### Section 8.6 Miscellaneous Provisions

Any provision of the within Declaration to the contrary notwithstanding, the following provisions shall control:

##### 8.6.1 Notice to Institutional Holders of First Mortgage Liens

Material amendment to the Declaration will require notice to all institutional holders of first mortgage liens.

##### 8.6.2 Consent of Institutional Holders of First Mortgage Liens

Unless at least seventy-five percent (75%) of the first mortgagees (based upon one (1) vote per Lot for each mortgage) have given their prior written approval, the Owners shall not be entitled to by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of the Units or maintenance of the Units or Lots.

#### Section 8.7 Personal Pronouns

All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

#### Section 8.8 Headings

The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

#### Section 8.9 Partial Invalidity

The invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

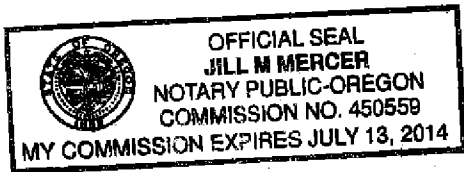
IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunto affixed as of this \_\_\_ day of March 2013.

DECLARANT: FC FUND, LLC  
an Oregon limited liability company

By: Curtis A. Baney  
Name: Curtis A Baney  
Title: mgr

STATE OF OREGON            )  
  ) ss.  
COUNTY OF DESCHUTES    )

The foregoing instrument was acknowledged before me the 26 day of March 2013, by Curtis A. Baney, the member of FC Fund, LLC, an Oregon limited liability company, on behalf of the company.



Jill M Mercer  
Notary Public, State of Oregon  
My Commission Expires: 7/13/14

**EXHIBIT "A"**

**PROPERTY SUBJECT TO DECLARATION**

The property known as Gleneden II is Lots 1 through 49, as shown on the duly recorded plat of Gleneden II, located in the City of Bend, Deschutes County, Oregon, according to the plat recorded in the Plat Records of Deschutes County, Oregon, on March 21, 2011, in Plat Cabinet H, Page 1008.