

AFTER RECORDING, RETURN TO:

will be kept
North Pacific and Dana, L.L.C.
P.O. Box 1416
Clackamas, OR 97015
Attn: Jeff Dulcich

**DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, EASEMENTS AND RESTRICTIONS FOR
HAWK'S RIDGE**

THIS DECLARATION is made this 17 day of December 1997, by North Pacific and Dana, L.L.C., an Oregon limited liability company, hereinafter called the "Developer."

RECITALS:

The Developer is the owner of Lots one (1) through twenty-two (22), inclusive, in Hawk's Ridge, a subdivision created by plat (the "Plat") duly recorded in Deschutes County, Oregon, hereinafter called the "Property." The Developer desires to subject the Property to the covenants, conditions, easements and restrictions set forth herein for the benefit of the Property and its present and subsequent owners.

DECLARATION

THEREFORE, the Developer hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, easements and restrictions, which shall run with the land comprising the Property, shall be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of each owner thereof.

SECTION 1

DEFINITIONS

As used in this Declaration, the terms set forth below shall have the following meanings:

1.1 "Association" means the non-profit corporation known as the Hawk's Ridge Owners Association, formed to serve as an owners association as provided in Section 2 hereof, and its successors and assigns.

1.2 "Board" means the Board of Directors of the Association.

1.3 **"Declaration"** means this Declaration of Protective Covenants, Conditions, Easements and Restrictions for Hawk's Ridge.

1.4 **"Developer"** means North Pacific and Dana, L.L.C. and any successor or assign of North Pacific and Dana, L.L.C. succeeding to the responsibility of Developer under this Declaration.

1.5 **"Lot"** means each of Lots 1 through 22, inclusive, as designated on the Plat, together with any improvements thereon.

1.6 **"Owner"** means the person or persons, including Developer, holding fee simple title to a Lot or a contract purchaser of a Lot, but does not include a tenant or holder of a leasehold interest and does not include a mortgagee or beneficiary of a deed of trust until the same have acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. The rights and obligations attendant to being an Owner hereunder commence upon acquisition of the fee simple title to a Lot or a contract purchaser's interest in a Lot and terminate upon disposition of such ownership, but termination of ownership shall not discharge an Owner from obligations incurred prior to termination.

1.7 **"Property"** means Lots 1 through 22, inclusive, in Hawk's Ridge, Deschutes County, Oregon, together with any other property added hereto by amendment adopted and recorded in accordance with the terms hereof.

1.8 **"Sold"** means that fee title to a Lot has been conveyed or that a contract of sale covering a Lot has been executed under which the purchaser has obtained the right to possession.

Other terms defined elsewhere herein shall have the meanings attributed to them.

SECTION 2

HAWK'S RIDGE OWNERS ASSOCIATION

2.1 **Organization.** The Association shall be formed by the Developer as an Oregon non-profit corporation and the Association shall be known as the Hawk's Ridge Owners Association or by such other name as may be available. The Association shall act through the Board, the membership of which shall be established pursuant to the Association's Bylaws.

2.2 **Membership.** Every Owner of one or more Lots shall, immediately upon creation of the Association and thereafter during the entire period of such Owner's ownership of one or more Lots, be a Member of the Association. Such membership shall commence, exist and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or

acceptance of membership. Membership in the Association is appurtenant to ownership of a Lot and may not be transferred except in conjunction with the conveyance of a Lot.

2.3 Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners with the exception of the Developer and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for each Lot shall be exercised by the Owners of such Lot as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Developer and shall be entitled to four votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the conveyance by the Developer of all Lots, or at such earlier time that the Class B Member shall elect to convert its membership to Class A Membership.

2.4 Powers and Obligations. The Association shall have, exercise and perform all of the following powers, duties and obligations:

(a) The powers, duties and obligations granted to the Association by this Declaration.

(b) The powers and obligations of a non-profit corporation pursuant to the general non-profit corporation laws of the State of Oregon.

(c) Any additional or different powers, duties and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to this Declaration or which otherwise are for the general benefit of the Owners or the Property.

The powers and obligations of the Association may from time to time be amended, repealed, enlarged or restricted by changes in this Declaration made in accordance with the provisions hereof.

2.5 Liability. Neither the Association nor any officer or member of the Board nor any member of its Architectural Control Committee shall be liable to any Owner or to the Association for any damage, loss or prejudice suffered or claimed on account of any action or failure to act by the Association, any of its officers or any member of the Board or Architectural Control Committee, provided only that the officer, Board member or member of the Architectural Control Committee has acted in good faith based on his or her actual knowledge. Each officer and member of the Board or of the Architectural Control Committee shall be indemnified by the Association against all expenses and

liabilities, including reasonable attorney's fees, incurred or imposed upon such individual in such capacity; provided, however, there shall be no indemnity if such individual is adjudged guilty of willful misconduct or bad faith in connection with the matter as to which indemnification is sought.

2.6 Availability of Records. Upon request, during normal business hours or under other reasonable circumstances, the Association shall make available to Owners and their lenders, and to holders, insurers or guarantors of any first mortgages covering the Lots, current copies of this Declaration, the Bylaws of the Association, other rules concerning the Property, and the books, records and financial statements of the Association.

SECTION 3

LIEN OF THE ASSOCIATION

3.1 Right to Lien. In the event any expense due from an Owner pursuant to this Declaration is not paid within thirty (30) days after its due date, the Association, in addition to all other rights and remedies available at law or provided herein, may, upon fifteen (15) days prior written notice to the Owner owing such expense, impose a lien against such Owner's Lot in the amount of the expense, plus collection costs, including late charges and reasonable attorney's fees, plus interest on all such amounts from the date first due until paid in full, at a rate per annum equal to five (5) percentage points in excess of the announced prime rate of U.S. National Bank of Oregon in effect on the date such lien is filed. Any such lien shall bind and run with the Lot in question until paid in full. Each Owner shall be deemed to have agreed, by his or her acceptance of a Deed or Contract of Sale covering a Lot, that such liens shall be effective, without the necessity of obtaining the joinder of such Owner in the execution of any instrument, upon the filing by the Association of a claim of lien (a "Claim of Lien") in the Official Records of Deschutes County, Oregon, such Claims of Lien to show the following:

- (a) the name of the lien claimant;
- (b) a statement concerning the basis for the Claim of Lien;
- (c) a description of the Lot against which the Claim of Lien is asserted;
- (d) a description of the work performed which has given rise to the Claim of Lien and a statement itemizing the amount of the claim; and

(e) a statement that the Claim of Lien is asserted pursuant to the provisions of this Agreement, reciting the date hereof and the book and page of recordation hereof.

Each Claim of Lien shall be acknowledged and contain a certificate indicating that a copy thereof has been served upon the defaulting Owner by personal service or by mailing pursuant to the notice provisions hereof. Each lien established by a Claim of Lien shall attach to the subject Lot from the date of recordation and may be enforced in any manner allowed by applicable law, including (without limitation) by suit in the nature of a suit to foreclose a mortgage or mechanic's lien under the provisions of applicable law. In any action to foreclose any such lien, any judgment rendered against the Owner of the Lot in question and in favor of the Association shall include such amount as the court may adjudge reasonable for attorney's fees and all costs and expenses reasonably incurred in the preparation for and the prosecution of such action, at trial and on any appeal, in addition to all other amounts provided by law.

3.2 Personal Obligation. Each charge levied pursuant to the provisions of this Declaration shall be a separate and personal obligation of the Owner of the Lot against which the charge is levied. The sale, transfer or conveyance of a Lot shall neither release nor discharge the Owner thereof from such personal liability, nor shall such a sale, transfer or conveyance extinguish any lien placed on such Lot.

3.3 Subordination. Notwithstanding any other provisions of this Declaration, any lien imposed on a Lot hereunder shall be and remain at all times, inferior, junior and subordinate to the lien of any bona fide mortgage or deed of trust encumbering such Lot at that time (a "Superior Lien"). Without limiting the generality of the foregoing, the sale or transfer of any Lot under a decree of foreclosure pursuant to any Superior Lien, or proceeding in lieu of foreclosure, shall extinguish any lien imposed on such Lot hereunder prior to the date of sale or transfer, but such extinguishment shall not relieve the delinquent Owner from his or her obligation to pay the sum secured by such lien.

SECTION 4

ARCHITECTURAL AND DESIGN REVIEW

4.1 Formation. The Board shall appoint an Architectural Control Committee consisting of three (3) members for the purpose of reviewing and approving or denying proposed improvements to be constructed upon the Property. Until such time as the Developer has sold all of the Lots subject to this Declaration, the Developer shall have full power and authority to designate the members of the Architectural Control Committee and remove any of the same at will, with or without cause. The Developer may transfer such appointive authority to the Board at an earlier

date. During the period of time during which Developer retains the right to appoint members of the Architectural Control Committee, the Architectural Control Committee (the "ACC") may consist of from one to three members, as Developer may elect. The members of the ACC initially appointed by Developer are: Jeff Dulcich, Tim Ralston and Shelly Hummel.

4.2 Generally. Until such time as each Lot has been improved with a residential dwelling fully developed and landscaped (the "Completion Date"), no improvement of any kind shall be commenced, erected, placed or altered on any portion of any Lot unless such improvement or alteration shall be in conformance with the design guidelines provided for in this Section 4 and until detailed plans and specifications showing the nature, elevation, kind, shape, height, color, material and location of such improvement or alteration are submitted to and approved by the ACC pursuant to the provisions of this Section 4. Each set of plans and specifications submitted shall include a detailed site plan showing the proposed location of improvements or alterations.

4.3 Approval. The ACC shall review the plans and specifications and site plan set forth in Section 4.2 and shall, within 30 days after submission, notify the party submitting said plans of its approval or disapproval of the proposed improvement as submitted or subject to specific conditions. If the ACC fails to give notice of its decision within such 30-day review period, the proposed improvement shall be deemed approved as submitted. If proposed plans are disapproved by the ACC or subjected to conditions of approval, the party submitting such plans shall resubmit revised plans indicating compliance with such conditions, if applicable, or remedying the grounds for prior disapproval by the ACC.

4.4 Design Guidelines. The ACC shall have the authority to promulgate and issue, and thereafter to amend from time to time, design guidelines. Such guidelines shall be supplied in writing to all Owners of Lots, shall be fully binding on all Owners as if set forth in this Declaration, and shall be applied by the ACC in reviewing and approving or denying proposed improvements. The current design guidelines are attached hereto as Exhibit "A".

4.5 Architectural Control Committee Discretion. The ACC, in its sole discretion, may withhold approval of any proposed improvement if the ACC finds that the proposed improvement would be inconsistent with the provisions contained herein or would be incompatible with the design standards for the neighborhood. Considerations such as siting, shape, exterior elevations, materials, size, color, design, height, impairment of view and other effects on the enjoyment of other Owners, as well as any other factors which the ACC believes to be relevant, may be taken into account by the ACC in determining whether or not to approve any proposed improvement.

4.6 Non-Waiver. Approval or disapproval by the ACC of any matter proposed to it or within its jurisdiction shall not constitute a precedent or waiver or impair in any manner whatsoever the right of the ACC to grant or withhold approval as to any similar matter thereafter proposed or submitted to it for approval.

4.7 No Liability. Neither the Association nor any member of the ACC shall be liable to any Owner, occupant, or other person or entity for any damage or loss suffered or claimed as a result of any action or failure to act on the part of the ACC so long as the ACC has acted in good faith based on the actual knowledge of its members.

4.8 Failure to Act. If at any time the ACC fails for any reason to perform its responsibility under this Section 4, the Board shall have the complete authority to serve as a temporary ACC.

4.9 Applicable Law. In addition to complying with the requirements of this Declaration, all improvements and alterations constructed upon the Property shall be completed in compliance with all applicable zoning, land use laws and building codes.

SECTION 5

PROPERTY USE AND RESTRICTIONS

5.1 Land Use and Building Type. No Lot shall be used for any purpose other than single-family residential purposes, and no building other than one single-family, detached dwelling with attached garage, and any accessory building which is approved by the ACC, shall be erected on any Lot. No dwelling constructed on a Lot may be rented by the Owner thereof to a third party for a rental term that is less than one (1) month in duration.

5.2 Landscape Completion. All landscaping must be completed within six months from the date of occupancy of a residence constructed upon a Lot and shall satisfy the minimum landscaping requirements set forth in the Design Guidelines delineated in Exhibit "A" attached hereto. In the event of undue hardship due to weather conditions, this provision may be extended a reasonable length of time upon written approval by the ACC.

5.3 Exterior Maintenance. Each Owner shall maintain the exterior improvements of such Owner's Lot in a clean and neat condition at such Owner's expense. Exterior improvements include, but are not limited to, all parking areas, private drives, walkways, landscaping, external light fixtures, the exterior surfaces of any buildings constructed upon the Lot and, with respect to Lot 1, the subdivision entry monument and landscaping which will be erected on Lot 1 (the "Entry Monument")

by Developer, the Owner of Lot 1 to be solely responsible for the care and maintenance of the Entry Monument. If the Board determines that maintenance and repairs are not conducted as required pursuant to this Section 5.3, the Association may perform the necessary repairs or maintenance for the account of the defaulting Owner as provided in Section 6 of this Declaration.

5.4 Antennae. No exterior radio, television, or telecommunication towers, antennae, satellite dishes or other exterior transmission or receiving devices shall be allowed on any Lot unless screened from public view in a manner approved by the ACC.

5.5 Vehicles in Disrepair. No Owner shall permit any inoperable vehicle or vehicle which is in a state of disrepair to be abandoned or to remain parked upon any Lot or street within the Property for a period in excess of 48 hours.

5.6 Nuisance. No noxious or offensive activity shall be conducted on any Lot, nor shall anything be done thereon which may be or may become a nuisance or annoyance to the neighborhood.

5.7 Temporary Structures. No structures of a temporary character, such as a tent, shack, garage, trailer or camper truck, shall be used as a residence, temporarily or permanently.

5.8 Completion and Occupancy Time. Construction of any dwelling shall be substantially completed within twelve (12) months after started. An Owner may seek an extension of the foregoing twelve-month period by application to the ACC, provided that such Owner has prosecuted construction of the dwelling in a diligent manner and reasonably requires more time to complete construction. No dwelling shall be occupied prior to being substantially complete.

5.9 Signs. No signs shall be displayed to public view on any Lot, except as follows: (1) signs used by the Developer during the construction and sales period, including any signs Developer's lender may desire to post; (2) signs used by builders during the construction and sales period which are approved by the Board; and (3) one sign not larger than five square feet advertising a Lot for sale or rent.

5.10 Animals. No animals, including poultry, shall be raised or kept on any Lot, except that dogs, cats or other household pets may be kept, provided they are not raised or kept for commercial purposes and are not permitted to cause damage or become a nuisance to neighbors.

5.11 Garbage and Refuse Disposal. No Lot shall be used as a dumping ground for garbage, rubbish or other waste. All garbage, yard debris or other waste shall be kept in sanitary containers

and/or other equipment concealed from public view and maintained in a clean and sanitary condition.

5.12 Parking and Storage of Equipment. Boats, trailers, truck-campers, motor homes and like equipment shall not be parked or stored on any part of any Lot or Common Area, except within an enclosed garage or screened area which prevents the vehicle or equipment from being seen from any other Lot or any street, except as follows:

(a) Equipment owned, rented, borrowed or otherwise under the control of the occupants of the dwelling located on a Lot shall be allowed to be parked in the driveway servicing the dwelling or on the shoulder of streets adjacent thereto for the purpose of repairs, maintenance and convenience of ingress and egress to a permanent storage area for a period not to exceed two (2) days in any one twenty-day period.

(b) Equipment owned by others who are guests of the occupants of the dwelling shall be allowed to be parked in the driveway servicing the dwelling or on streets adjacent thereto for a period not to exceed four (4) days in any one thirty-day period.

5.13 Fence Heights. No fences shall be permitted to exceed six (6) feet in height.

5.14 Roadways. The roadways created by the Plat are public roadways and may be connected to other public roadways in the future.

5.15 Motorized vehicles. No motorized vehicles other than licensed road vehicles may be operated on the Property.

5.16 Firearms. No firearms may be discharged upon any portion of the Property.

5.17 Utilities. All utility connections from trunk lines to dwellings situated on the Lots must be underground.

5.18 Exterior lighting. Exterior lighting which can be seen from streets or from neighboring Lots must be indirect or, if the light bulb is visible, shall not exceed forty-five (45) watts in power. Exterior mercury vapor lighting is not permitted.

5.19 Burning. No outside burning of trash or yard debris is permitted.

5.20 Heating and cooling systems. All exterior elements of heating and cooling systems for dwellings must be screened from public view and, where applicable (in the judgment of the ACC), must be insulated to reduce noise transmission to acceptable levels.

5.21 Firewood. Firewood storage areas must be screened from public view.

SECTION 6

RIGHT OF ENTRY

Developer, the ACC, the Association, and any representative of any of the foregoing shall have the right to enter upon any Lot: (1) to clean or maintain landscaping, parking areas, driveways, exterior lighting fixtures and buildings if the Owner of such Lot fails to perform such work in a manner consistent with the requirements of this Declaration; (2) to enforce the provisions of this Declaration if the Owner of the Lot in question does not do so as required by this Declaration; or (3) for any other purpose permitted under this Declaration. The Owner of any Lot shall reimburse the Association for any expenses incurred in connection with any action described in this Section 6 upon billing of the same. If the Owner fails to reimburse the Association within ten days after such billing, the Association may impose a lien against the Lot as provided in Section 3. No entry on any Lot pursuant to this Section 6 shall be deemed a trespass or otherwise create any right of action in favor of the Owner of such Lot.

SECTION 7

GENERAL PROVISIONS

7.1 Duration. These covenants, conditions, and restrictions shall run with and bind, benefit and burden in perpetuity the Property, all Owners and the lessees, invitees and guests of all Owners.

7.2 Severability. In the event any provision of this Declaration is determined to be invalid or unenforceable, that determination shall not affect the validity or enforceability of any other provision.

7.3 Amendment. This Declaration may be amended in whole or in part at any time and from time to time by two-thirds of the aggregate Class A and Class B Members who are voting in person or by proxy at a meeting call for that purpose (for example, if Class A Members entitled to cast four votes are voting in person or by proxy and the Class B Member is entitled to cast six votes, then seven votes would be required to be cast in favor of the amendment presented).

7.4 Enforcement. Developer, the Association and each Owner shall have the right to enforce all of the covenants, conditions, restrictions, reservations, easements, liens and charges now or hereafter imposed pursuant to any provision of this Declaration by any appropriate proceeding at law or in equity. Any remedies specifically provided herein are nonexclusive and cumulative and

are in addition to all other remedies available to the Association and the Owners at law or in equity.

7.5 Non-Waiver. Any failure of the Association or any Owner to enforce a covenant, condition or restriction contained in this Declaration shall not be deemed to constitute a waiver of the Association's or any Owner's right to enforce that or any other covenant, condition or restriction contained in this Declaration.

7.6 Developer Not Liable. Neither Developer nor Developer's successors or assigns shall be liable to any Owner or to any other person for its enforcement or failure to enforce any provisions of this Declaration. Each Owner, by acquiring such Owner's interest in the Property, agrees not to bring any action or suit against Developer or any successor or assign of Developer, and not to recover any such damage or to seek any other relief (including without limitation equitable relief) by reason of any such enforcement or failure to enforce any provision of this Declaration. Each Owner shall and does, by taking title to or occupying any portion of the Property, agree to defend, indemnify and hold harmless Developer and Developer's successors and assigns from any claim, loss, damage, cost or expense (including, without limitation, reasonable attorney's fees) arising out of the use, operation, ownership, occupancy or condition or state of repair of that portion of the Property owned by such Owner.

7.7 Constructive Notice and Acceptance. By the recording of this Declaration, each Owner shall be deemed to have consented and agreed to every term, covenant, condition and restriction contained herein.

7.8 Joint and Several Liability. If an Owner consists of more than one person or entity, each of such persons and entities shall be jointly and severally liable for any assessment or charge and for the performance of any other obligation imposed pursuant to this Declaration.

7.9 Captions. The captions and headings of sections herein are for convenience only and are not intended in any way to define, limit or describe the scope or intent of any section of this Declaration.

7.10 Notices. All notices under this Declaration shall be in writing. Any such notice shall be deemed effective on the earlier of the date of delivery, or, if mailed, three business days following the date of mailing, if addressed to the addressee at the address, if any, designated in the Association's records.

7.11 Attorney Fees. If Developer, the Association or an Owner brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim or third party claim or any litigation undertaken in the context of bankruptcy

proceedings) to enforce or construe this Declaration or otherwise arising out of this Declaration, then the prevailing party in such action or proceeding shall be entitled to recover its costs and expenses of suit and any appeals, including (without limitation) reasonable attorney fees, from the losing parties. The phrase "prevailing party", as used herein, shall include, without limitation, a party who dismisses an action for recovery in exchange for payment of the sums allegedly due, performance of covenants allegedly breached or consideration substantially equal to the relief sought in the action.

7.12 Construction. During the period of construction of improvements on the Lots, each Owner shall be responsible for keeping construction debris consolidated and stabilized to avoid scattering of the same and construction debris shall be disposed of at least once a month to keep the site clear and safe.

7.13 Annexation of Additional Property. Developer, at any time and from time to time, may add all or a portion of any land now or hereafter owned by Developer or its successors to the property which is covered by this Declaration, and upon recording of a notice of addition of real property, as set forth below, the provisions of this Declaration specified in said notice shall apply to such added land in the same manner as if it were originally covered by this Declaration. Thereafter, to the extent that this Declaration is made applicable to such land, the rights, powers and responsibilities of Developer and owners of parcels within such added land shall be the same as in the case of the land included in the Property, including (without limitation) the voting rights attributable to Class A and Class B Members with respect to such additional land.

The notice of addition of real property referred to herein shall contain, among such other provisions as Developer shall deem appropriate, the following provisions:

(a) A reference to this Declaration stating the date of recording and the recording information applicable hereto.

(b) A statement that the provisions of this Declaration or some specified part thereof shall apply to such added real property.

(c) A legal description of such added real property.

(d) Such other or different covenants, conditions and restrictions as Developer, in its sole discretion, shall specify to regulate and control the use, occupancy and improvement of such added real property, which may include (without limitation) different architectural control

provisions and different dwelling size requirements with respect to dwellings to be erected on the additional real property.

Executed on this 17 day of December, 1997.

DEVELOPER:

NORTH PACIFIC AND DANA, L.L.C., an Oregon limited liability company

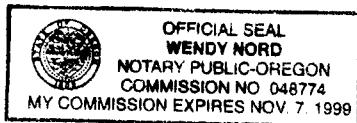
By: [Signature]
Name: Jeffrey F. Dulcich
Title: Managing Member

EXHIBITS

"A" - Design Guidelines

STATE OF OREGON)
County of Deschutes) ss.

This instrument was acknowledged before me this 17 day of December, 1997, by Jeffrey F. Dulcich as the Managing Member of North Pacific and Dana, L.L.C., an Oregon limited liability company, on behalf of such limited liability company.



[Signature]
NOTARY PUBLIC FOR OREGON
My Commission Expires: 11-7-99

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DOCUMENT ILLEGIBLE/POOR QUALITY AT TIME OF RECORDING.

EXHIBIT "A"
DESIGN GUIDELINES

1. Materials Required to be submitted.

Application for approval to begin construction must be submitted at least thirty (30) days in advance of the proposed date of commencement and shall be accompanied by two (2) sets of the following to be delivered to the ACC:

- a. Site Plan
- b. Floor Plan
- c. Elevation Drawing
- d. Landscaping Plan (Landscaping Plan may be submitted 30 days prior to completion of home)

The plans submitted must be drawn at a minimum scale of 1" = 20'. The site plan shall include the perimeter dimensions of the home-site, the building and access locations, location of the building site stake, the topography (with five [5] foot contours), location of all decks, driveways, fences and walkways and all easements and setbacks as shown on the Plat, plus other material as may be required on the submittal form. The landscaping plan must identify walk and other outdoor surface materials and list names, quantities and sizes of plant materials. Floor plans shall indicate the square footage of each floor and the total square footage of the proposed plan. A string layout also will be required on the site and will show all improvements, driveway and parking areas. If more information is required, the ACC will notify the Owner in writing.

When construction is approved, the ACC will stamp "APPROVED" on one set of plans and retain the second set. There may be no material alteration in plans or construction without ACC approval. Each application shall be submitted with the required fee as set by the ACC from time to time and a completed ACC submittal form. The fee currently is in the amount of \$250. The original construction approval shall be valid for a period of one (1) year, at which time it will expire. A new submittal and fee will be required if construction is to begin after expiration of such one (1) year period.

2. Skylights and Solar Devices.

All glass, plastic or other transparent skylights or solar devices shall be treated to eliminate reflective glare. Clear, bronze or gray glazing is preferred over white translucent. Flat skylights are preferable to domes. Solar heating systems must be reviewed and approved by the ACC on a case by case basis.

3. Gutters and Downspouts.

All gutters and downspouts shall be designed as a continuous architectural design feature. Exposed gutters and downspouts

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shall be colored to blend in with the surface to which they are attached.

4. Grading.

To the maximum extent feasible, all grading shall conform to natural contours.

5. Chimneys.

All exterior chimneys must be composed of wood, stone or metal and must incorporate a flue shroud and spark arrestor. All visible metals (including metal chimneys within wood flues) must be painted to blend with the roof colors.

6. Decks.

Elevated decks shall have supports of not less than 6" x 6". Wing walls or peeled logs are preferred. Exposed areas beneath the decks shall be kept neat and not used as storage areas unless the underside area is enclosed and painted to match the prime body color of the dwelling.

7. Drainage.

The existing drainage on each Lot shall be carefully considered when siting an improvement. The natural drainage pattern should be preserved if at all possible.

8. Buildable Area.

Each Lot shall contain an established and documented building area chosen for its privacy and orientation. This area is a circle approximately 60' in diameter with the center of the circle shown on the building site location map and physically on the homesite by the building site stake. Builders shall mark building envelopes by string, as required by the City of Bend, and the site must be approved by the ACC.

9. Home Size.

Each dwelling shall contain at least 1700 square feet of living area, exclusive of any garage, storage or decked areas. Two-story homes must have a minimum of 900 square feet of living area on the ground floor. "Living area" shall be computed by measuring the area within the exterior face of outside walls.

10. Building Height.

In no case shall the height of a home exceed 30 feet. The height of a home shall be determined by the ACC as an average of two specific measurements. The first measurement is that from the highest point on the roof to the lowest elevation of natural grade along the proposed building perimeter foundation and the second measurement is that from the highest point on the roof to

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the highest elevation of natural grade along the proposed building perimeter foundation. The first measurement may not exceed 39 feet.

"Natural grade" is defined as the site topography which exists at the time a Lot is sold to the first Owner by the Developer; fill material subsequently brought to a Lot does not modify this original grade reference. In instances where proposed building heights are close to the established limit, the ACC may require that the Owner have specific site and building elevations confirmed by a licensed land surveyor.

11. Driveways.

Driveway cuts or to roadways will be limited to one per Lot, unless otherwise approved by the ACC. Driveway widths shall be kept to one car width (12 feet) where possible and, in general, the amount of paved areas exposed to view from adjacent roadways or homesites shall be kept to a minimum. Driveway material shall be asphalt, concrete or masonry. If the curb cut is relocated and the original curb cut is not used, the sidewalk and curb area must be restored to the City of Bend sidewalk and curb standards, at the Owner's expense.

12. Duplication.

Duplication of house design is discouraged.

13. Excavation

Each homesite shall be developed with minimal modification of the existing topography. All dirt and debris resulting from excavation must be removed from the site. All areas disturbed during construction must be restored to their original appearance.

14. Exterior Colors.

Exterior colors must harmonize with the surrounding landscape and all colors are subject to approval by the ACC. Exterior color treatment shall be continuous on all elevations. Care should be taken to avoid duplicating colors of nearby homes.

15. Exterior Lighting.

During the holiday season, a variance with respect to exterior lighting prohibitions contained in the Declaration is granted for the use of exterior decorative lights. All holiday lighting should be removed by the second weekend in January.

16. Exterior Material Treatment.

Exterior material treatment used on the building walls shall be continuous and consistent on all elevations of a residence in order to achieve a uniform and complete design and to avoid a "veneer" look.

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17. Exterior Walls and Trims.

The following materials are approved for use on exterior walls and trims:

- a. Wood treated with subdued earthtone semi-transparent or solid body stains or earth-tone paint. The use of plywood siding is discouraged but will be considered by the ACC; however, use of T-111 siding will not be permitted. In most cases siding applications that involve a mix of directions (horizontal, diagonal, vertical) are discouraged.
- b. Brick - earthtone colors.
- c. Textured masonry block units are not to exceed four inches in height - earthtone colors.
- d. Stucco - medium to dark earthtone colors.
- e. Rock, river rock and manufactured rock. A minimum of 25 square feet of rock, river rock, manufactured rock or slate shall be used on the street front of the house or the street front of the garage.

18. Fencing.

Fences are allowed, but require specific approval from the ACC. A "fence" is defined as a structural barrier which separates one space from another, is used to define property boundaries, or which is constructed for ornamental purposes. Fences shall be limited to 6 feet in height and shall be connected to the house structure. Fences which completely surround a homesite are discouraged.

19. Garages.

At least a two-car garage is required and it shall connect to the main house by a roof or screen or be part of the house structure. Consideration should be given to relating the design of the garage to that of the residence.

20. Hillside Homesites.

Exposed understructures of homes built on hillside homesites are prohibited. 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.

21. Landscaping. Extensive landscaping is not required. All homesites, however, shall be maintained to present a neat and pleasing appearance to all off-property vantage points, to

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minimize fire danger in the area and to moderate the problem of wind-blown dust. If an Owner chooses to maintain the natural appearance of the site, steps must be taken to restore unsightly scarred areas due to construction activity or other damage, and to remove dead plant material and refuse from the site.

22. Outdoor Play Equipment.

Swingsets and other play equipment should be screened, if possible, from the view of public roadways.

23. Parking and Screening.

A minimum of two parking places shall be required for each homesite. Such required parking must be in a garage, carport, or an area adequately screened from roadways and neighboring views.

24. Roofs.

If permitted by applicable building codes, slate and concrete tiles, concrete and wood simulated shakes, and layered fiberglass roofing are considered acceptable roofing applications. ARC 8 composite may be considered on some homes. Roofing applications will be reviewed individually. Color selections also will be reviewed on an individual basis. Bright, non-earthtone selections will be discouraged.

25. Service Yards.

When not provided by other structures, each residence shall have a screened service yard, enclosing garage and trash containers, firewood, clothes drying apparatus, bicycles, outdoor maintenance equipment, and the like. None of these shall be placed where they will be seen from roadways or neighboring homesites. Service yards should be attached to the home and/or gated to screen the area from view of other homesites.

26. Staging Area.

Each construction approval submittal must designate at least one staging area for a homesite, subject to approval by the ACC. Each staging and construction area must be kept clear of trash and debris.

27. Tarps and Other Weather Protection Materials.

Tarps used for covering firewood or other usages which are visible from roadways and other homesites must be brown in color. Green or blue tarps will not be permitted.

28. Utility Meters.

Utility meters (gas and electric) must not be visible from public roads and shall be installed according to guidelines available from the utility companies. Electric meters are to be

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screened according to the design provided by the ACC. Gas meters should be screened by landscaping or other approved appropriate fencing.

29. View Preservation.

Construction of improvements and growth of vegetation on a homesite shall not materially impair the view of other Lot Owners. The ACC shall be the sole judge of such impairment. If vegetation needs to be removed, the benefitted party shall be responsible for any costs associated with the removal and/or trimming of such vegetation.

STATE OF OREGON) SS.
COUNTY OF DESCHUTES)

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 DEC 17 PM 4: 05

MARY SUE PENHOLLOW
COUNTY CLERK

BY: *L. Patton* DEPUTY
97-46843 FEE 95-
NO.

DESCHUTES COUNTY OFFICIAL RECORDS