

95105

COVENANTS AND RESTRICTIONS

MARY K FALLS ESTATES

REDMOND, OREGON

RESTRICTIONS

As Mary K Falls Estates Subdivision is designed for both year around and secondary home living, it is the intent of the developer to maintain a wooded decor with continuity of building appearance being primary to protect property values.

Additional, as the residents will wish to have the serenity of country living, the developer is placing certain activity restrictions to protect all inhabitants within the subdivision.

BUILDING RESTRICTIONS

All buildings constructed within Mary K Falls Estates must have the building plans approved by the Plan Review Board prior to construction. This also applies to fences, outbuildings and other improvements.

The Plan Review Board will consist of a least two property owners within the subdivision.

BUILDINGS AND USE RESTRICTIONS

Section 1. Each lot shall be used for residential purposes only, and not more than one double garage or carport and two accessory buildings such as workshops or stables be constructed or placed upon each lot in the subdivision.

Section 2. All driveways must be composed of cinders, gravel, or asphalt.

Section 3. Buildings must be suitable for year around use and must be placed on permanent foundations, consisting of concrete, brick, pumice blocks, or stone masonry. All structures must comply with Deschutes County Building Codes. No mobile homes narrower than Fourteen feet (14') wide allowed. Roofs must be of wood shingle, tile or comp roofing. Buildings, fences, and improvements must be constructed in workmanlike manner and kept in a condition of good repair. Exposed portion of foundation must be painted or sided if more than 12" above ground. Exteriors to be finished with natural materials with a rustic appearance.

Section 4. All land owners must comply with the laws and regulations of the State of Oregon, County of Deschutes, and any municipality applicable to fire protection, building construction, water, sanitation, and public health.

Section 5. No more than 6 months' construction time shall elapse for the completion of a permanent dwelling nor shall a temporary structure be used as living quarters except during the construction of a permanent dwelling.

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An exterior latrine shall be allowed only during the construction of a permanent residence. No construction under 1,000 square feet.

Section 6. No commercial, professional, noxious, or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

Section 7. The cutting or removal of living trees will only be permitted where necessary for the construction of buildings or thinning for the beautification of the property.

Section 8. All animals including dogs must be kept within the confines of the property or on a leash to protect those residents wishing to use the roadways for recreational walking, jogging, etc. No livestock, other than horses are allowed on the property for any reason or purpose other than approved by the Board of Directors of the Association.

Section 9. No hunting, or target shooting permitted.

Section 10. All garbage trash, cuttings, refuse, garbage and refuse containers, fuel tanks, clothes lines, and other service facilities shall be screened from view from neighboring properties.

Section 11. Each lot and its improvements shall be maintained in a clean and attractive condition in good repair and in such fashion as not to create a fire hazard. No property owner shall litter their property with metal objects or other objects i.e. car or other vehicle parts, thus, creating a visual disturbance to the continuity of the neighboring properties.

Section 12. Individual wells allowed.

Section 13. Septic tanks and drainfields must meet County Health Department standards.

Section 14. No motorized vehicles other than automobiles may be operated on adjacent property without prior approval of the Board of Directors of the Association.

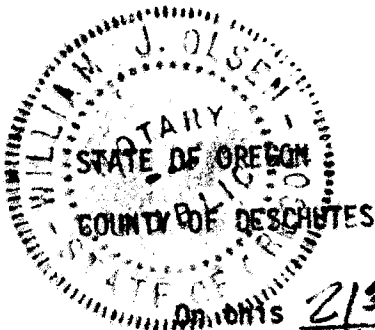
Section 15. Parking must be provided for on each building site. Parking and/or storage of recreational vehicles i.e. camp trailer, boats, etc. must be done in such a manner that they do not distract from the appearance of any particular property including the property on which it is parked or stored.

Section 16. Recreational vehicle or motorcycle racing is strictly prohibited. Until majority of lots are sold and home owners association is formed developer will enforce all regulations.

MARY K FALLS ESTATES
G & H Industries

BY *Dan H. Heierman*
DAN H. HEIERMAN

BY *Vincent Gisler*
VINCENT GISLER *Dan H. Heierman*
A.H.Y. IN FACT BY POWER OF A.H.Y.



} ss.
}

On this 21st day of April, 1981 personally appeared before me the above named Dan H. Heierman, and Vincent Gisler, who first duly sworn on oath did execute and acknowledge the foregoing instrument to be their voluntary act and deed.

Before me:

William J. Olsen
Notary Public for Oregon
My Commission Expires: 10/11/82

25458

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 21 day of April A.D. 1981 at 5:54 o'clock P M. and recorded in Book 339 on Page 672 Records of Deschutes

ROSEMARY PATTERSON

County Clerk

By *Paula Patterson* Deputy

25459

BY LAWS OF ASSOCIATION
OF

MARY K FALLS ESTATES PROPERTY OWNER'S ASSOCIATION

ARTICLE I

NAME AND PURPOSE

SECTION I

This Association shall be called: MARY K FALLS ESTATES PROPERTY OWNER'S ASSOCIATION.

SECTION II

The purposes and objects of this Association shall be to provide for the operation, maintenance, repair, rebuilding or rehabilitation of roads, streets and public ways of MARY K FALLS ESTATES development, Deschutes County, Oregon, for the benefit of members of the Association who have purchased parcels therein.

ARTICLE II

SECTION I

All owners of a parcel of property within the above described development shall automatically become members of this Association, and shall receive a certificate evidencing membership. Any person purchasing any parcel within said area under an agreement of sale and/or land sales contract shall be deemed the owner of said parcel for the purposes hereunder. Joint owners of any parcel shall be entitled to one membership.

ARTICLE III

SECTION I

Initial dues shall be the sum of \$5.00 per month. Additional fees or dues may be assessed with the concurrence of membership.

ARTICLE IV

SECTION I - Annual Meetings

The annual membership meeting shall be held in August of each year.

SECTION II - Special Meetings

Special membership meetings shall be called by the Secretary upon resolution of the Board, or upon petition of five (5%) percent of the voting members. The petition shall state the purpose of the special meeting and may fix a period of two weeks during which the meeting may be held; provided, however, that the petition be delivered to the Secretary not less than one week before the designated period.

SECTION III - Quorum

At any regular or special meeting a quorum shall consist of forty (40%) percent of the membership, except that any membership meeting at which a quorum is not present may be adjourned for from seven to fourteen days, and give notice to all voting members of the adjourned meeting. At the reconvened meeting, a quorum will consist of five (5%) percent of the membership.

SECTION IV - Powers of Meetings

At a membership meeting, declarative resolutions may be adopted, and instructions may be issued to the Board provided they do not abridge powers specially granted to the Board by these Articles. At a special membership meeting no business may be transacted other than that stated as the purpose of the meeting, without the unanimous consent of the members present.

SECTION V - Voting Rights

Each member shall be entitled to one vote only, cast in person or by mail, and there may be voting by proxy.

ARTICLE V

SECTION I - Directors

The management of the Association shall be vested in a Board of Directors of five persons, four of which shall be elected by the membership. The fifth member shall be designated by developer until seventy-five (75%) percent of the development is sold. After seventy-five (75%) percent of the development is sold, all Directors shall be elected by the membership and shall serve for a period of one year and until their successors are duly elected and qualified. The initial Board of Directors shall be appointed by Developer. Directors shall hold office until their

successors have undertook their duties.

SECTION II - Vacancies

Any director of this Association, who having been duly notified, fails to attend four regular consecutive board meetings without excuse satisfactory to the Board, shall thereby forfeit his membership thereon, and the position shall thereupon be deemed vacant.

SECTION III - Duties of Directors

The Directors shall administer all business carried on by the Association under the direction and control of any special or regular meeting of the members. They shall arrange an impartial audit by a public accountant of the books of the Association at least once a year, and shall issue a financial statement to the membership. They shall also issue annually to the membership a full report of its work during the year and of the progress and condition of the Association.

The Board may create advisory committees composed of individuals interested in one or more phase of the work of the Association.

The directors shall have the power to purchase and/or lease additional real estate; to construct recreational facilities; to purchase recreational equipment, including horses; to expend money to maintain the roads and other facilities owned and/or operated by the Association and/or its membership for the benefit of all members; to provide informational services for members and prospective owners of the property, and to provide such additional services to the members as they in their sole discretion may determine to be advisable.

SECTION IV Officers

The officers shall be: President, Vice-President, Secretary, Treasurer, and such others as the board may deem necessary. The President, Vice-President and Secretary shall be appointed by the board of directors from their number at the first regular board meeting following the annual election. All officers shall hold office at the discretion of the board.

If the Treasurer is not a member of the board, he may have a voice, but no vote, at the board meetings.

SECTION V - Duties of Officers

The officers shall perform the duties usually appertaining to such officers and such other duties as may be delegated to them by these Articles of Association, or by the board.

SECTION VI - Bonds

All officers and employees of the Association handling funds of the Association shall be bonded.

ARTICLE VI

MAIL VOTE

SECTION I

Whenever in the judgment of the board of directors any question shall arise which it considers should be put to a vote of the membership, and when it deems it inexpedient to call a special meeting for that purpose, it may submit the matter to the membership in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority of the votes received by mail within two weeks after such submission to the membership, provided that in each case, votes of at least 25% of the members shall be received. Action taken in this manner shall be as effective as action taken at a duly called meeting.

ARTICLE VII

LIABILITIES

SECTION I

Nothing herein shall constitute members of the Association as partners for any purpose. No member, officer, agent or employee shall be liable for the acts or failure to act of any other member, officer, agent or employee of the Association. Nor shall any member, officer, agent or employee be liable for his acts or failure to act under these Articles, except only acts or omissions arising out of his willful misfeasance.

ARTICLE VIII

AMENDMENTS

SECTION I

These Articles of Association may be amended, repealed or altered in the whole or in part by a majority at any duly organized meeting of the Association.

ARTICLE IX

ROADS

SECTION I - Roads

The Property Owners Association shall be responsible for the maintenance of all roads in the development, until such a time as the roads are accepted for maintenance by Deschutes County.

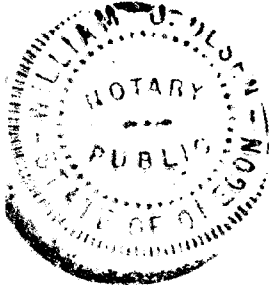
IN WITNESS WHEREOF THE undersigned have subscribed their names to the ARTICLES OF ASSOCIATION on this 21st day of April, 1981.

G & H INDUSTRIES

Don H. Heterman
DON H. HETERMAN

Vincent Gisler
VINCENT GISLER PH. H. Heterman
Att. in fact by Heterman

SUBSCRIBED AND SWORN To before me this 21st day of April, 1981.



William J. Sloan
Notary Public for Oregon
My Commission Expires: 10/14/82

25459

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record the 21 day of April A.D. 1981 at 2:55 o'clock P. M. and recorded in Book 339 on Page 675 Records of Deschutes

ROSEMARY PATTERSON

County Clerk

By Devin L. Sullivan Deputy