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After Recording Return To:

Pioneer Business Park, LLC
1510 NW West Hills Avenue
Bend, OR 97701

Declaration of Covenants, Conditions and Restrictions

and Common Areas Easements

For Pioneer Business Park

This Declaration of Covenants and Restrictions For Pioneer Business Park (this “**Declaration**”) is made this 10 day of MAY, 2006, by Pioneer Business Park, LLC, an Oregon limited liability company (“**Declarant**”), relates to certain property owned by Declarant in the City of Redmond, Deschutes County, Oregon, which is described on the attached Exhibit A (the “**Business Park**”).

Declarant intends to develop the Business Park as a planned business and industrial complex in which diverse light industrial and commercial uses can operate in an efficient and aesthetically pleasing environment. To insure the orderly development of the Business Park in accordance with these goals, Declarant shall impose architectural controls, limitations on improvements, and declare easements and other covenants and restrictions. To provide for continuity in the development of the Business Park, Declarant desires to provide a formal mechanism for the continued exercise of controls and enforcement of protective covenants as set forth in this Declaration.

ARTICLE 1

GENERAL DECLARATION CREATING BUSINESS PARK

1.1 Declaration of Protective Covenants

Declarant hereby declares that the Business Park is now held and shall hereafter be conveyed, leased, occupied, operated and used solely in compliance with the conditions, covenants, restrictions, and agreements (hereafter referred to as the “**Protective Covenants**”) set forth by this Declaration. The Protective Covenants shall bind and inure to the benefit of and pass with each and every Site (as defined in Section 2.2) into which the Business Park may be divided, shall apply to and bind and inure to the benefit of the heirs, successors and assigns of every Owner (as defined in Section 2.1), and shall constitute covenants running with the land with respect to each Site.

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Additional land near the Business Park may be purchased by Declarant, either in whole or in part, for the development of future phases. Declarant may submit any such future phase or other additional contiguous or nearby land to this Declaration at any time by recording in the county deed records an amendment to this Declaration describing the additional land and stating that it is subject to these Protective Covenants. The additional land may be brought into the Business Park at once or in separate, additional phases. Upon recording of an amendment, the land described in the amendment shall be a part of the Business Park. Declarant, in its sole discretion, may impose different or additional restrictions on subsequent phases as they are added to the Business Park.

ARTICLE 2

DEFINITIONS

The following definitions shall apply to the use of the associated words and phrases in this Declaration:

2.1 **Owner:** The holder of a fee simple interest in a Site, the holder of a vendee's interest in a Site under a recorded installment contract of sale, and the holder of a leasehold estate in a Site. The holder of a leasehold estate in a building or a portion of a building comprising less than all of a Site is not an Owner. If there are two or more co-owners of a Site, they shall collectively constitute only one Owner for the purposes of the Protective Covenants.

2.2 Site: Each of Lots 1 through 19 on the final plat of the Pioneer Business Park subdivision, together with any additional legal lots added as “additional land” pursuant to Article 1, Section 1.2 of this Declaration shall be considered a Site.

ARTICLE 3

EASEMENTS

3.1 Easements Granted

In addition to any easements shown on the recorded plat, Declarant hereby declares the following perpetual, non-exclusive easements within Business Park that are for the benefit of all of the Sites:

(a) **Monument Signs Common Areas.** Declarant hereby declares an easement on each of Lot 1 and Lot 13 (in the precise areas designated on the final subdivision plat) for the placement of monument signs for the Business Park (the “**Monument Sign Common Area**”). The Monument Sign Common Area shall be maintained as part of the Common Areas pursuant to Article 8.

(b) **Hemlock Frontage Common Area.** Declarant hereby declares a boundary fence and landscape easement over and across the southerly 10-feet of Lot 1, Lot 7,

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Lot 8 and Lot 13 along Hemlock Avenue (in the precise location identified on the final subdivision plat) (the "**Hemlock Frontage Common Area**"). The Hemlock Frontage Common Area shall be maintained as part of the Common Areas pursuant to Article 8.

(c) **N.E. 9th Street Frontage Common Area.** Declarant hereby declares a boundary fence and landscape easement over and across the easterly 6-feet of Lot 12, Lot 13, Lot 19, and any additional lots that are annexed to Pioneer Business Park in the future along N.E. 9th Street)(the "**Ninth Street Frontage Common Area**"). The Ninth Street Frontage Common Area shall be maintained as part of the Common Areas pursuant to Article 8.

(d) **Shared Driveway Easement.** Declarant hereby declares for the benefit of the Owner of Lots 11 and 13, a 30-foot wide access easement for the construction of a 20-foot wide shared driveway along the westerly boundary line of Lot 12 (in the precise areas designated on the final subdivision plat). The easement area shall be paved and maintained. All costs associated with the initial paving and long term maintenance of this shared driveway easement shall be shared equally by the each Owner of Lot 11, Lot 12 and Lot 13.

(e) **Sign Easement for Benefit of Lot 13:** Declarant hereby declares for the benefit of the Owner of Lot 13, an easement for the installation of a sign directing traffic from Jackpine Circle to Lot 13 on the Northwest corner of Lot 12. The easement is 5-feet by 10-feet in area and shall be located within the easement area described in Section 3.1.(d), above (but outside of the actual roadway). The Owner of Lot 13 shall be solely responsible for costs of erecting and maintaining any sign placed in the signage easement.

The Monument Sign Common Areas, Hemlock Frontage Common Area, and the Ninth Street Frontage Common Area are collectively referred to herein as the "**Common Areas**".

3.2 Right of Entry

The Owner of any Site burdened by these easements shall permit the Maintenance Director and their duly authorized agents or employees to enter upon the Site to perform maintenance of any such monument signs, driveway, common area or landscaping.

3.3 Condemnation

In the event of a condemnation or a sale in lieu thereof concerning a portion or all of the Business Park, the award or purchase price paid for such taking shall be paid to the Owner of such land so taken; it being the intent of any party who might have an easement or other property interest or right under this Declaration in the land so taken, to release and/or waive such property interest or right with respect to such award or purchase price; provided, however, such other party shall have the right to seek an award or compensation for the loss of its easement right to the extent such award or compensation paid or allocated for such loss does not reduce or diminish the amount paid to the party owning such land.

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ARTICLE 4
USE RESTRICTIONS

4.1 Approval of Uses

A Site shall only be used for purposes consistent with these Protective Covenants. No use shall be made of a Site without the prior written approval of Declarant. A request for approval shall be submitted in writing to Declarant by an Owner and Declarant shall have thirty (30) days in which to indicate approval or disapproval. If Declarant gives no written notice to the Owner within such thirty-day (30) period, then the proposed use shall be deemed denied.

4.2 Compliance with Zoning

Subject to 4.1 above, a Site shall only be used for business and industrial purposes consistent with zoning ordinances of the government agencies having jurisdiction over the Business Park.

4.3 Partition, Subdivision and Lot-Line Adjustments

A Site shall not be partitioned or subdivided, nor shall any lot line be adjusted, without the prior written approval of Declarant. A request for approval shall be submitted and reviewed in the same manner provided in Article 4.1 above.

4.4 Prohibited Activities

No use will be conducted on a Site, nor shall any materials or products be manufactured, processed or stored thereon, which shall in the opinion of the Declarant, cause an undue fire or health hazard in the Business Park, or constitute a nuisance or cause the emission of noxious odors, gases, smoke, or particulates, or cause excessive noise, or create excessive traffic in the Business Park or on the roads that provide access to the Business Park. No person shall be allowed to live or establish a residence in the Business Park.

4.5 Compliance with Laws and Regulations

In addition to compliance with these Protective Covenants, each Owner shall ensure that the condition and use of its Site shall comply with all applicable federal, state, and local laws and regulations applicable to its Site, including but not limited to those of the State Department of Environmental Quality, and applicable health, zoning, and building regulations, laws and ordinances.

ARTICLE 5
DESIGN APPROVAL

5.1 Approval Required

So long as Declarant owns any Site, no excavation, building, structure, landscaping, pavement, or other improvements of any kind shall be constructed, altered, modified, or placed on any Site until the plans therefor submitted by an Owner shall have received Declarant's written approval. Approval shall be based upon final plans and specifications prepared by licensed architects, engineers, or other qualified professionals. Declarant may waive any of the items listed below for any Owner in Declarant's sole discretion. Two copies of the plans and specifications described below shall be submitted along with a \$500 review fee:

- (a) A site plan showing the location, size, configuration, and layout of any building, structure, facility and exterior lighting (or, where applicable, any alteration, addition, modification or demolition thereto) including appurtenant facilities for parking, tanks, storage, loading, deliveries, and vehicular and pedestrian traffic and circulation, and including the location of utility lines and sanitary sewer lines.
- (b) Architectural plans and drawings showing the nature, style, and dimensions of any building, structure, facility, fence, wall, barrier, deck and exterior lighting (or, where applicable, any alteration, addition, modification, or demolition thereto) including the exterior material types, colors, appearance, and the type of screening for roof-mounted fixtures and the type of screening for exterior equipment and for tanks and other exterior storage areas.
- (c) A landscape plan showing the nature, type, size, location and layout of all landscaping, vegetation, or ground cover proposed to be planted, installed, or (where applicable) removed or destroyed, including any sprinkler or other irrigation systems and landscape lighting proposed.
- (d) A topographical plan showing the elevation, slope and grade of any site work (including the nature, location, and utilization of any removal or filling of soil) proposed to be done in connection with any proposed improvement, development, modification or demolition of any building, structure, or facility or of any planning, installation or removal of any landscaping, vegetation or ground cover.
- (e) A traffic study by a licensed Oregon traffic engineer acceptable to Declarant setting forth the impacts of the proposed use on the roads in the Business Park and on the roads that provide access to the Business Park.

5.2 Time for Indicating Approval

Declarant shall have thirty (30) days after an Owner's proper submission of all plans and specifications pursuant to Section 5.1 and payment of the review fee established pursuant to Section 5.6 within which to indicate approval or disapproval. If Declarant gives no written notice

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to the Owner indicating approval or disapproval within such thirty (30)-day period, then plans shall be deemed approved. Declarant shall state the reasons for any disapproval. If plans are revised and resubmitted following any disapproval, Declarant shall respond within twenty days (20) after receiving the revised plans, and lack of such response shall be deemed to be approval. Declarant may at any time extend the amount of time in which to exercise its approval right by giving notice to the applicant stating that such an extension is required and the length of the required extension.

5.3 Basis for Approval

In exercising its right of approval, Declarant shall consider the adequacy of the Site dimensions for the proposed improvement, the impact of the improvements and uses upon neighboring Sites and the surrounding transportation infrastructure, the relationship of the proposed improvement to the topography of the Site and neighboring Sites, the effect of any proposed parking area or roadway on traffic within or outside of the Business Park, the adequacy of storm water retention and drainage to accommodate such water, and the conformity of the plans and specifications to the standards of Article 6 and to the purpose and general concept of the Business Park. Declarant shall not arbitrarily or unreasonably withhold its approval of plans and specifications.

5.4 Design Review by Governmental Authorities

Any plans or specifications submitted to the governmental authorities for purposes of obtaining appropriate use approvals, design review approvals, or building permits shall bear the signature of Declarant approving said plans and specifications, and the date of approval.

5.5 Purpose and Effect of Approval

Declarant's review and approval or disapproval of plans and specifications are for Declarant's sole benefit and do not constitute a representation or warranty that such plans and specifications are or are not suitable for the purposes for which they are intended, or that they comply with any building or engineering standard, code, or ordinance. Each Owner, upon submitting plans and specifications for approval, agrees to indemnify and hold Declarant, its agents, contractors, successors and assigns harmless from and against any and all claims, damages, expenses, liabilities or losses arising out of or in any way connected with plans and specifications submitted for review in accordance with Section 5.1.

5.6 Design Review Fee

Declarant may from time to time adjust the fee described in Section 5.1 for reviewing an Owner's plans and specifications submitted pursuant to this Article 5. The increase in the review fee shall reasonably approximate the increased costs incurred in connection with such review.

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ARTICLE 6

DEVELOPMENT AND OPTIONAL STANDARDS

6.1 Setbacks

All building setbacks shall comply with applicable city and county zoning ordinances.

6.2 Parking

Each Site shall provide adequate employee, vendor and customer parking, loading and delivery facilities to accommodate all operations or uses relating to the Site without requiring on-street parking. If parking requirements increase as a result of a change in use or expansion of an existing use, additional off-street parking shall be provided to satisfy the requirements of this section. All driveways and parking areas shall be paved and curbed in accordance with approval plans and specifications. Loading areas shall be located and screened to restrict to the greatest extent practicable their view from the street and neighborhood.

6.3 Landscaping

Each Site shall be landscaped in conformity with approved plans and specifications which shall include a detailed landscaping plan. In addition, each Owner shall landscape and maintain any unpaved areas between the street and the Site property line. Landscaping shall be installed and operable within sixty (60) days of issuance of a certificate of occupancy or substantial completion of any improvements on the Site, whichever occurs first, or as soon thereafter as weather permits.

6.4 Tree Planting

In addition to any requirements imposed by any state or local entity, including the City of Redmond, each Owner shall be required to adhere to the Tree Plan attached hereto as Exhibit B (or to such amended Tree Plan as may be hereafter adopted by Declarant in its sole discretion). Each Owner shall be responsible for planting the particular type, size and species of tree that is identified in the Tree Plan. Trees shall be planted and maintained in the specific locations that are identified in the Tree Plan. Declarant, in its sole discretion, may establish additional rules regarding the planting, long term maintenance and replacement obligation for the individual trees identified in the Tree Plan. In addition to complying with the requirements of the Tree Plan, each Owner must identify the specific type and location of any trees to be planted on a Site in the landscape plan required under Section 5.1(c).

6.5 Construction

Any building erected on a Site shall conform to the following construction practices:

(a) The lower three (3) feet or twenty percent (20%) of the height, whichever is greater, of exterior walls must be finished with architectural masonry units, concrete block, natural stone or precast concrete, all as approved by Declarant. Colors shall be earth-tones or

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(b) No materials, supplies or equipment shall be stored on the Site except inside a closed building, or behind a visual barrier screening such areas so that they are not visible from neighboring streets or property, unless approved by the Declarant in writing.

(c) No storage tanks shall be permitted on a Site without the prior written approval of Declarant and receipt of all necessary approvals and permits from any governmental agency having jurisdiction.

(d) No trailer shall be used for storage purposes on a Site.

6.8 Fences

Fences and walls shall be designed to coordinate and be appropriate to overall building style and site design. Fencing layouts and designs are subject to Declarant's approval and will be considered based upon specific Site use and conditions.

6.9 Utility Service

No lines, wires, or other devices for the communication or transmission of electric current, telephone, television, fiber optic, digital, cable or radio signals, shall be constructed, placed or maintained anywhere in or upon a Site unless the same shall be contained in conduits or cables constructed, placed and maintained underground or concealed in, under, or on buildings or other approved improvements, provided that electrical transformers may be permitted if properly screened and approved in compliance with these requirements.

ARTICLE 7

CONSTRUCTION AND MAINTENANCE OF SITES

7.1 Prosecution of Work

Following Declarant's approval of complete plans and specifications described in Article 5.1, the Owner receiving such approval shall promptly satisfy any conditions of the approval and diligently proceed with the prosecution of all approved landscaping, construction or alterations in strict conformity to the approved plans and specifications. If for any reason work has not commenced within one (1) year from the date of Declarant's approval, the approval shall cease to be effective.

7.2 Completion of Work

All construction, reconstruction, refinishing or alterations of any improvement including landscaping shall be completed within one (1) year from the commencement of the work, unless otherwise agreed by Declarant.

7.3 Inspections

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Declarant shall have the right, upon reasonable prior notice to Owner, to inspect any work related to any building, structure or facility or any landscaping or other improvements within the Business Park to determine its conformity with the approved plans and specifications. In the event Declarant determines in good faith that certain work is non-conforming, Declarant may issue a stop work notice, without the necessity of court order, which shall require the Owner to correct all non-conforming work specified in the notice before the remainder of the proposed work may be completed. Continued work without correction of any such non-conforming items shall be deemed a breach of these Protective Covenants. Any inspection or correction conducted or instituted by Declarant shall have the same purpose and effect as Declarant's review and approval of plans and specifications, as set forth in Article 5.5.

7.4 Maintenance Requirements

Each Owner shall at all times keep the Site and the buildings, improvements, landscaping, and other appurtenances thereon in a safe, clean, neat, and sanitary condition and shall comply with all laws, ordinances, and regulations pertaining to health and safety. Each Owner shall provide for the regular and prompt removal of trash and rubbish from the Site. During construction, it shall be the responsibility of each Owner to insure that construction sites are kept free of unsightly accumulations of rubbish and scrap materials, and that construction materials, trailers, shacks, and the like are kept in a neat and orderly manner. Prior to installation of approved landscaping, vegetation on any unimproved portion of a Site must be kept below eight inches (8") in height, excluding native shrubs and trees, unless otherwise approved by Declarant.

7.5 Security Services

Declarant shall retain a private security service to provide security patrols and other security services through the Business Park at appropriate times and intervals, as determined by Declarant. Assessments paid by each Owner under Article 9 shall fund the provision of such security services.

ARTICLE 8

MAINTENANCE OF COMMON AREAS

8.1 In General

Pursuant to Section 3.1 through 3.3, Declarant has declared perpetual, non-exclusive common area easements over the Common Areas. In order to provide for the unified and high quality appearance of the Common Areas and the Business Park as a whole, the Common Areas shall be under the sole and exclusive control of a Maintenance Director (who shall be appointed as provided for in Section 8.2 below) for the purpose of repairs, maintenance, replacements, use and operation.

8.2 Appointment of Maintenance Director

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(a) So long as Declarant owns any portion of the Business Park, Declarant shall be the initial Maintenance Director and may continue as the Maintenance Director until Declarant either: (1) assigns its right to be Maintenance Director to an Owner other than Declarant who agrees to accept the position of Maintenance Director; or (2) organizes a Maintenance Entity as provided for in Section 8.8 and assigns the rights and obligations of the Maintenance Director to the Maintenance Entity.

(b) When Declarant no longer owns any portion of the Business Park, the Owners shall either: (1) appoint an Owner to act as Maintenance Director by the affirmative vote of the majority of the Owners; or (2) organize a Maintenance Entity to act as Maintenance Director as provided for in Section 8.8.

8.3 Maintenance Rights, Responsibilities and Standards

The Maintenance Director shall maintain the Common Areas in good condition, repair and appearance similar to that maintained by other business parks located in the Bend-Redmond metropolitan area, and in a clean, neat and orderly condition. All repairs, alterations, replacements or additions to the Common Areas shall be at least equal to the original work in class and quality.

8.4 Common Area Expenses Defined

The term "**Common Area Expenses**" shall mean all costs and expenses paid or incurred by the Maintenance Director in the operation, maintenance, management, repair or replacement of any Common Areas.

Without limiting the generality of the foregoing, Common Area Expenses specifically includes all such costs or expenses in connection with the following:

(a) Providing maintenance, landscaping, repairs, replacements, decoration, water and sewer charges, lighting and other utilities, cleaning, sweeping, trash removal, security, fire protection and similar items;

(b) Providing, maintenance, engineering, parking, landscaping, and other personnel;

(c) Providing public liability, property damage and other insurance (including the cost of any insurance premiums);

(d) Legal expenses, settlements or awards arising from the Common Areas or activities related thereto;

(e) Reasonable reserves for replacements other than equipment; either the purchase and installation or rental of equipment, or the depreciation (based on actual usage and not tax life) of equipment, if the cost of such equipment has not been previously included (but in either case, to be prorated based upon usage as to any equipment used in both the Project and other projects);

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(f) Applicable real and personal property taxes of every kind or nature;

(g) Other charges, surcharges and other levies incurred by reason of any governmental requirements;

(h) Utility charges relating to the Common Areas; and

(i) Any property management fees paid to third parties or a sum equal to 10% of all Common Area Expenses for the applicable period as a management fee for Maintenance Director's administration and overhead.

8.5 Proportionate Share of Common Area Expenses

Each Owner's share of the total combined general Common Area Expenses for any particular period is equal to one divided by the total number of Sites (the "**Proportionate Share**").

8.6 Payment of Proportionate Share

Each Owner shall pay to Maintenance Director from time to time but not more often than monthly, within 10 days after receipt of a reasonably itemized statement therefore, the total actual or estimated Proportionate Share of Common Area Expenses attributable to such Owner, as the same may be adjusted periodically by Maintenance Director on the basis of actual anticipated costs and expenses. Within 90 days following the end of each fiscal or calendar year as applicable, Maintenance Director shall furnish each Owner with an annual itemized statement showing in reasonable detail the actual Common Area Expenses and that Owner's Proportionate Share thereof for the year just expired. If any Owner's estimated payments during the previous period exceeded its Proportionate Share of actual Common Area Expenses, then Maintenance Director may either rebate such excess to the applicable Owners or may offset such excess against Owner's payments next coming due under this Section. If the total amount paid by an Owner for the previous year is less than the actual amount due from such Owner as shown on the annual statement, that Owner shall pay the deficiency to Maintenance Director within 10 days after receipt of the annual statement. Each Owner shall have the right, at its sole cost and expense and after prior reasonable notice during normal business hours, to inspect Maintenance Director's books and records relating to the actual expenditures for Common Area Expenses.

8.7 Reserve Requirement

The Maintenance Director, if other than Declarant, shall also maintain in cash or cash equivalents an amount equal to one-twelfth (1/12) of the estimated annual total Common Area Expenses.

8.8 Creation of Maintenance Entity

If, pursuant to either Section 8.2(a) or 8.2(b), Declarant or the Owners elect to form an entity to act as the Maintenance Director (the "**Maintenance Entity**"), it shall be organized as an Oregon non-profit mutual benefit corporation or another entity, as follows:

- (a) The cost of forming the Maintenance Entity shall constitute a Common Facility Expense.
- (b) Upon formation, the Maintenance Entity shall assume all such maintenance rights and obligations pursuant to a recorded instrument executed by the Maintenance Entity, whereupon the prior Maintenance Director shall be relieved of all such obligations and liabilities arising from and after the date of recordation of such instrument.
- (c) Each Owner shall belong to and participate in the Maintenance Entity, and the voting power of each Owner in the Maintenance Entity shall be based upon its Proportionate Share.

ARTICLE 9

ASSESSMENTS

9.1 Purpose and Amounts of Assessments

(a) Assessments may be made by Declarant to cover the cost of or to establish a reasonable reserve for providing any service or capital expense for the general benefit of the Business Park, and may include an administrative fee not to exceed ten percent (10%) of the assessment. Purposes for which assessments may be imposed shall include but not be limited to retaining professional assistance in the review of plans and specifications submitted by Owners for approval, performing maintenance upon the default of an Owner in its obligation under these Protective Covenants, retaining security patrol services for the Business Park, and other expenses of enforcement hereunder.

(b) The amount of assessments shall be determined by the Declarant after preparation of an annual budget giving due consideration to the current and future costs of implementing the Protective Covenants. The Declarant shall fix the amount of assessment against each Site for each calendar year at least thirty (30) days in advance of such year and shall send written notice of the assessment to each Owner at least fifteen (15) days in advance. If Declarant does not send a notice within such time, assessments shall continue at the same level as for the previous year. The assessments shall be paid on a yearly basis within thirty (30) days of receipt of the assessment notice from Declarant. In the event the amount to be assessed for any period exceeds or is less than anticipated actual expenses, Declarant in its discretion may, by resolution, appropriately adjust the amount of the assessments. Each Owner shall be entitled to a copy of the current annual budget and a statement of actual expenses for the preceding calendar year upon request.

9.2 Creation of the Lien and Personal Obligation of Assessments

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The Declarant, for each Site owned by it, hereby covenants and agrees to pay, and each Owner of any Site by acceptance of a deed of that Site, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay the Declarant assessments to be fixed, established, and collected from time to time as herein provided. The assessments, together with interest thereon and costs of collection, shall be a charge on the land and shall be a continuing lien upon the Site against which each such assessment is made. Each assessment, together with such interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person who was the Owner of the Site at the time when the assessment fell due. The personal obligation shall not pass to his successor in title unless expressly assumed by them.

9.3 Rate of Assessment

Assessments shall be spread to all Sites for any particular period equal to one divided by the total number of Sites. Declarant may also apportion the assessment amounts among the Sites using other factors if it determines that such apportionment would be appropriate.

9.4 Assessment of Sites Owned by Declarant

Without exception, each Site owned by Declarant shall be subject to assessment in the same manner as any other Site owned by any other Owner.

ARTICLE 10

NONPAYMENT OF ASSESSMENTS

10.1 Delinquency

Any assessment provided for in this Declaration which is not paid when due shall be delinquent. If any such assessment is not paid within the thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the then legal rate. In addition to all legal and equitable rights or remedies, the Declarant may, at its option, bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Site. All remedies shall be considered cumulative and pursuit of one remedy shall not bar pursuit of another. In the event a judgment is obtained, such judgment shall include interest on the assessment, late charges and a reasonable attorney's fee, together with the cost of the action.

10.2 Notice of Lien

No action shall be brought to foreclose an assessment lien until thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of said Site, and a copy thereof is recorded by the Declarant in the office of the County Recorder in the County in which the Business Park is located. The notice of claim of lien must recite a good and sufficient legal description of the Site, the record Owner or reputed Owner thereof, the amount claimed (which may at the Declarant's option include interest

on the unpaid assessment at the legal rate, plus reasonable attorney fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant.

10.3 Curing of Default

Upon the timely curing of any default for which a notice of claim of lien was filed by the Declarant, the Declarant shall file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee that has been determined by the Declarant to be adequate to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest, or fees as shall have been incurred.

10.4 Subordination of Assessment Liens

If any Site subject to a monetary lien created by any provision hereof shall be subject to the lien of mortgage or deed of trust: (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such mortgage or deed of trust; and (2) the foreclosure of the lien of a mortgage or deed of trust, the sale of the property pursuant to the mortgage or deed of trust or the acceptance of a deed in lieu of foreclosure shall not operate to affect or impair the lien hereof, except that the lien hereof for said charges as shall have accrued up to the foreclosure, sale, or the acceptance of a deed in lieu of foreclosure shall be subordinate to the lien of the mortgage or deed of trust with the foreclosure-purchaser or deed-in-lieu-grantee taking title free of the lien hereof for all said charges that have accrued to the time of the foreclosure, sale, or deed given in lieu of foreclosure, but subject to the lien hereof for all such charges that shall accrue subsequent to the foreclosure, sale, or deed given in lieu of foreclosure.

ARTICLE 11

ENFORCEMENT

11.1 Inspection

Declarant or any of its agents or designees may from time to time at any reasonable hour and upon reasonable prior notice, enter upon and inspect and property subject to these Protective Covenants to ascertain compliance. No prior notice shall be necessary in the case of an emergency.

11.2 Abatement of Violations

Failure to comply with any term or provision of these Protective Covenants shall give to Declarant or any other Owner the right, following five (5) days' written notice addressed to the Owner upon whose Site a violation occurs, to abate, remove or cure such violation at the expense of the non-complying Owner. Reimbursement of such expense shall be both the personal obligation of the non-complying Owner and a lien on the Site in the same manner as provided in Section 9.2, which lien shall be subject to the provisions of Article 10.

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11.3 Violation a Nuisance

Any activity or use conducted in the Business Park in violation of these Protective Covenants is hereby declared to be a public nuisance as to residents of the surrounding area and a private nuisance as to other Owners in the Business Park. All legal and equitable relief available for the abatement of such nuisances shall be available to restrain and enjoin such nuisances and to recover resulting damages.

11.4 Cumulative Remedies; Nonwaiver

The remedies listed above for violation of the Protective Covenants shall not be mutually exclusive nor exclude any other remedy available under applicable law. Failure to enforce these Protective Covenants by Declarant or by any other person as to any given breach shall not be considered a waiver of the right to enforce these Protective Covenants as to any further breaches.

11.5 Attorney Fees

In any legal or equitable proceedings to enforce or restrain violation of these Protective Covenants or to collect the costs of abatement as provided in Section 10.2, the losing party or parties shall pay the attorney fees of the prevailing party or parties in such amount as may be fixed by the court at trial or on any appeal, including any costs and fees that may be incurred in bankruptcy proceedings.

11.6 No Liability

Neither Declarant, the Maintenance Director, nor their respective successors or assigns shall be liable to anyone seeking approval pursuant to these Protective Covenants or to any other Owner for granting approval or disapproval, or taking or failing to take action, so long as the individual acted in good faith, believed that the conduct was in the best interests of the Business Park, or at least was not opposed to its best interests, and in the case of criminal proceedings, had no reason to believe the conduct was unlawful. Declarant, the Maintenance Director, and their respective successors or assigns shall not be liable to the Owners or any third party on account of any action or failure to act in the performance of its duties hereunder, except for acts of gross negligence or intentional acts, and the Owners shall release, indemnify, defend and hold Declarant, the Maintenance Director, and their respective successors or assigns harmless, from any such claims, other than for gross negligence or intentional misconduct.

ARTICLE 12

DURATION

12.1 Duration

Unless sooner terminated or modified according to the procedure provided in Section 12.2 below, these Protective Covenants shall remain in effect for a period expiring on the fortieth

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anniversary of the execution of the Declaration, which is 10 MAY, 2045, and shall be automatically renewed for an unlimited number of successive ten-year periods.

12.2 Amendment and Repeal

This Declaration may be terminated or extended or any of the Protective Covenants herein may be modified with the written consent of the Declarant and the Owners of seventy-five percent (75%) of the land area of Sites within the Business Park. After additional land (including, without limitation, any future phases) has been added to the Business Park, this Declaration may be terminated or modified as to the initial phase or any future phase(s) by the Declarant and the Owners of seventy-five percent (75%) of the land area of Sites within such phase(s). Such termination, extension, or modification shall become effective upon the recording of the proper instrument in the deed records of the county where this Declaration is filed. Any termination or modification of the Protective Covenants shall require Declarant's consent until the Declarant ceases to be an Owner of any Site in the Business Park or the future phases. No amendment of this Declaration shall affect the rights of a mortgagee under a mortgage or a trustee or beneficiary under a trust deed constituting a lien on any Site unless such person consents in writing to the amendment.

ARTICLE 13

MISCELLANEOUS

13.1 Constructive Notice and Acceptance

Every person who now owns or in the future acquires any right, title, estate, or interest in or to the Business Park shall be bound by the terms of these Protective Covenants whether or not any reference to the Protective Covenants is contained in the instrument by which such person acquires an interest in the Business Park.

13.2 Delegation and Assignment of Declarant's Rights and Duties

The Declarant may from time to time delegate any or all of its rights, powers, discretion, and duties as Declarant hereunder to such agent or agents as it may designate. Declarant may permanently assign all of its rights, powers, discretion, and duties as Declarant hereunder to any successor in interest to all of Declarant's interest in the Business Park, which assignment shall be effective upon such assignee evidencing its consent in writing to the assignment and recording the assignment in the county deed records where this Declaration is recorded. Upon such recording, the assigning Declarant shall be released from all duties and responsibilities as Declarant under those Protective Covenants.

13.3 Notices

All notices to be given pursuant to this Declaration shall be in writing. If given to the Declarant, notice is effective only upon receipt. If given to an Owner, notice is effective two (2) days after mailing by the United States certified or registered mail, postage prepaid, addressed to

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the Owner of a Site at the address shown on the then current property tax roll for the county in which the Site is located.

13.4 Effect of Invalidation

If any term or provision of these Protective Covenants is held to be invalid by any court, such invalidity shall not affect in any way the validity of the remaining Protective Covenants.

IN WITNESS WHEREOF, the undersigned Declarant has caused the execution of this Declaration on the date first written.

DECLARANT:

PIONEER BUSINESS PARK, LLC

By: DK Ward

Its: Managing Member

STATE OF OREGON)
) ss.
COUNTY OF DESCHUTES)

The foregoing instrument was acknowledged before me this 10th day of May, 2006, by Dixon Ward, as the Managing Member of Pioneer Business Park, LLC.



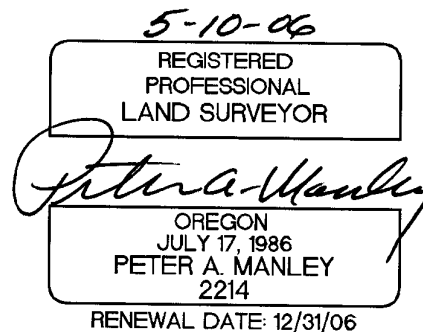
Angela Bove
Notary Public for Oregon
My commission expires: 4-6-09

EXHIBIT A
PIONEER BUSINESS PARK, PHASE 1
SUBDIVISION BOUNDARY LEGAL DESCRIPTION

A parcel of land containing 27.78 acres, more or less, located in a portion of the Southeast One-quarter of the Northwest One-quarter (SE1/4 NW1/4) of Section 10, Township 15 South, Range 13 East, Willamette Meridian, City of Redmond, Deschutes County, Oregon, being more particularly described as follows:

Beginning at a point on the west boundary of said (SE1/4 NW1/4) which bears North 00°13'23" West a distance of 25.00 feet from the CW 1/16th corner of said Section 10; thence continuing along said west boundary North 00°13'23" West a distance of 864.33 feet; thence leaving said east boundary North 89°44'37" East a distance of 260.00 feet; thence North 00°13'23" West a distance of 100.00 feet; thence North 89°44'37" East a distance of 1021.70 feet to a point on the west boundary of Parcel 1 as described in Warranty Deed recorded October 5, 2004 in Volume 2004, Page 59824 of Deschutes County Official Records; thence along said west boundary South 00°14'14" East a distance of 964.82 feet to a point on the north right-of-way line of NE Hemlock Avenue; thence along said right-of-way line South 89°45'56" West a distance of 1281.94 feet to the point of beginning, the terminus of this description.

Subject to: All easements, restrictions and right-of-ways of record and those common and apparent on the land.



February 7, 2006

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