

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

QUAIL RIDGE

A Subdivision of Deschutes County, Oregon

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned KERR, CAINE AND ASSOCIATES, INC., an Oregon Corporation, the owner of

QUAIL RIDGE

A subdivision of Deschutes County, Oregon

does hereby declare that said property and the whole thereof shall be subject to the following covenants, conditions, and restrictions which shall run with the land and be for the benefit thereof, to-wit:

ARTICLE I

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Architectural Control Committee: An Architectural Control Committee (ACC) is hereby established. It shall consist of three members, and shall initially be composed of Peter R. Caine, Dennis C. Kerr, and Karen S. Caine. A majority of the committee may designate a representative to act for it. In case of the death or resignation of any member(s) of the Committee, the remaining member(s) shall have full authority to designate a successor(s). Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed by such member. In the event that the deaths or resignations of all members of the Committee shall occur without successors having been appointed, the owners shall have full power to designate successors. The Committee's approval or disapproval as required herein shall be in writing.

Section 2. Uses Prohibited without the consent of Committee: Unless the Committee has consented in writing, no parts of said property shall be used in any of the following ways:

- (a) No owner shall be allowed to place any type of material across the Central Oregon Irrigation Canal lateral running through the property. In no event shall a bridge be placed across said lateral unless it is located on the property line between two lots and the adjoining lot owners have a mutual right to use said bridge.

(b) As a place to raise domestic animals of any kind except for horses or others approved by the ACC and a reasonable number of household pets, which are not kept, bred, or raised for commercial purposes and are not a nuisance to other owners.

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(c) As a dumping ground for rubbish, trash, or garbage; and other waste shall not be kept except in sanitary containers at all times. All incinerators or other equipment for the storage or disposal of such material shall be kept in clean and sanitary conditions.

(d) No parcel shall be divided into smaller parcels for a period of ten (10) years from original purchase and at no time shall any parcel be less than one-half of the original size of the parcel as on the recorded plat.

(e) Service outbuildings, including tackrooms, barns and stables, shall be permitted, subject to ACC approval.

Section 3. Architectural Control Committee Consent:
In all cases in which Architectural Control Committee consent is required the following provisions shall apply:

(a) Material Required to be Submitted: Where consent must be acquired by lot owners, or any association of owners from the ACC, plans, specifications, and other material the Committee determined to be necessary to enable it to evaluate the proposal must be submitted at least thirty (30) days in advance of the occurrence which requires consent.

(b) Architectural Control Committee Discretion and Guidelines: The ACC may at its discretion withhold consent with respect to any proposal if the Committee finds the proposal would be inappropriate for the particular lot or incompatible with the quality and design standards of QUAIL RIDGE. Considerations such as color, design, view, effect on other lots, disturbance of existing terrain and vegetation and any other factor of which the ACC reasonably believes to be relevant may be taken into account by the Committee in determining whether or not to consent to any proposal.

(c) Failure to Act: In the event the ACC fails to render its decision with respect to any proposed work within the thirty (30) days granted it in Section 16(a), the Committee shall conclusively be deemed to have consented to the proposal.

(d) Effective Period of Consent: ACC consent shall be revoked one (1) year after issuance unless the work has been commenced or the owner has applied for and received an extension of time from the ACC.

ARTICLE II

RESTRICTION ON USE OF PROPERTYSection 1. Use and Occupancy of Private Areas:

Each owner shall be entitled to the exclusive use and benefit of each lot owned by him, except as otherwise expressly provided herein.

Section 2. Construction and Alterations of Improvements in Private Areas: No person, association, or owner shall construct or reconstruct any improvements on any lot or alter or refinish the exterior of any improvement on any lot, make any change in any lot, including but not limited to fence construction, the cutting or removal of vegetation, shrubs, or trees, install a utility, outside antenna, or other outside wire on a lot unless such person, association, or owner has first obtained the consent thereto of the ACC.

Section 3. Maintenance of Lots: 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.

Section 4. Type of Building: No building other than a single family dwelling for private use may be constructed on any lot. No mobile home or trailer may be used as a residence.

Section 5. Signs: No commercial sign may be displayed to the public view from any parcel other than a "FOR RENT", "FOR SALE", or one used by a builder to advertise that property during the construction and sales period. No sign shall be larger than five (5) square feet.

Section 6. Utilities: No above ground utilities, pipes, delivery poles, or wires shall be used to connect improvements with supplying facilities.

Section 7. Offensive or Commercial Activities: No noxious, offensive or commercial trade or activity shall be carried on in any lot nor shall anything be placed or constructed on any lot or anything done on a lot which interferes with or jeopardizes the enjoyment of other lots.

Section 8. Views: The height of improvements or imported vegetation and trees on a lot shall not materially restrict the view of other lot owners. The ACC shall be the sole judge of the suitability of such heights. If the ACC determines there is such restriction in the view of other lot owners, written notice shall be delivered to the offending owner. If after thirty (30) days the improvement,

vegetation, or trees are not removed or reduced in height as directed by the ACC, the Committee shall enter the offending lot, complete the removal or reduction, charging the owner of the lot the reasonable cost for work done. This section is not to be read as justification to create views not present when the lot was originally purchased.

Section 9. Independent Water Systems Prohibited: Independent water wells and systems are prohibited without the consent of the Committee.

Section 10. Lighting: No exterior lighting or noise-making devices shall be installed or maintained on a lot without written ACC consent.

Section 11. Driveways: All driveways must be composed of oil mat, concrete, or asphalt and shall have a maximum width of twelve (12) feet. Only one driveway shall be permitted per lot, except circular driveways will be permitted where practical.

Section 12. Easements: There shall be reserved to Seller and the future owners of all parcels of QUAIL RIDGE the existing easements of record, and an easement along existing roads for waterlines and other utilities for the benefit of all parcels of QUAIL RIDGE.

Section 13. Construction Completion: No more than nine (9) months construction time shall elapse for the completion of a permanent dwelling once construction has begun.

Section 14. Living Area: No residence shall be constructed with less than 1,750 square feet of living area.

Section 15. Motor Vehicles: No motorized vehicles other than automobiles may be operated on the property in the project, except farm implements.

Section 16. Trailers: No trailers, truck campers, boats, boat trailers, snowmobiles, or other off-road vehicles shall be stored within 50 feet of a lot line or easement. Any of the above described off-road vehicles shall be screened from view from a road or neighboring lots. Any exception to this rule must be approved by the ACC. Commercial vehicles weighing in excess of one (1) ton, and any non-operational motor vehicles shall not be parked on the property.

Section 17. Setbacks: All proposed buildings must have a 50 foot setback from any road or lot line. Any exception to this rule must be approved by the ACC.

GENERAL PROVISIONS

Section 1. Term: The covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

Section 2. Enforcement: The foregoing conditions and restrictions shall bind and inure to the benefit of, and be enforceable by suit for injunction or for damages or both by the owner or owners, of any of the above described lands, their and each of their, legal representatives, heirs, successors and assigns; and a failure, either by the owners named or their legal representatives, heirs, successors or assigns, to enforce any of such conditions or restrictions shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability: Invalidation of any one of these foregoing covenants, restrictions, or conditions or any portion thereof by court order, judgment, or decree shall in no way affect any of the other remaining provisions hereof which shall, in such case, continue to remain in full force and effect.

Section 4. Attorney's Fees: In the event suit or action be instituted to enforce any of the terms or conditions of this document, the losing party shall pay to the prevailing party, in addition to the costs and disbursements allowed by statute, such sum as the court may adjudge reasonable as attorney's fees in such suit or action, in both trial court appellate courts.

Section 5. Voting: Each lot shall be entitled to one (1) vote.

Section 6. Amendment: These Covenants, Conditions and Restrictions may be amended by obtaining written approval of the proposed amendment from Owners of seventy-five per cent (75%) of the lots.

Section 7. Discharge of Weapons: No person shall fire or discharge any gun or other weapon, including spring or air activated pellet guns or weapons which propel projectiles by use of bow, sling, explosive, jet air rocket propulsion, except in defense or protection of his property, person or family.

DATED this 21 day of February, 1978

KERR, CAINE AND ASSOCIATES, INC.

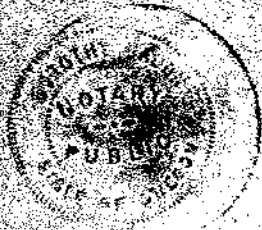
By Dennis C. Kerr
DENNIS C. KERR, President

By Peter R. Caine
PETER R. CAINE, Secretary-Treasurer

STATE OF OREGON, County of Deschutes, ss:

Personally appeared DENNIS C. KERR and PETER R. CAINE who, being duly sworn, each for himself and not one for the other, did say that the former is the President and that the latter is the Secretary-Treasurer of KERR, CAINE AND ASSOCIATES, INC., a corporation, and that said instrument was signed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed. Before me:

Dorothy Badon
Notary Public for Oregon
My Commission Expires 10-11-1980



22212

STATE OF OREGON
County of Deschutes
I hereby certify that the within instrument of writing was received for Record the 21 day of Feb. 1978 at 2 o'clock P. M. and recorded in Book 268 to Page 7 Records of Deschutes
ROSEMARY PATTERSON
County Clerk
By A. J. Patterson Deputy

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