

21205

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION made on the date hereinafter set forth by STAGE STOP, INC., an Oregon corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the County of Deschutes, State of Oregon, which is more particularly described as:

All of the lots of FIFTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Book 10, Page 6, Deschutes County Oregon Plat Records, recorded Jan 26, 1979.

AND WHEREAS, Declarant will convey the above real property subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth:

NOW, THEREFORE, Declarant hereby declares that all of the real property described above shall be held, sold and conveyed subject to the following easements, reservations, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described real property, or any part thereof, their heirs, successors and assigns, and shall be for the benefit of and limitations upon each owner thereof.

ARTICLE I - DEFINITIONS

Section 1. "Association" shall mean and refer to STAGE STOP MEADOWS HOMEOWNERS ASSOCIATION, INC., a nonprofit Oregon corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to the real property hereinbefore described, all of the lots and all of the blocks of STAGE STOP MEADOWS, a subdivision, Plat No. 100, as platted and recorded in Book 13, Page 24, Deschutes County Oregon Plat Records, recorded October 12, 1973, and all of the lots and all of the blocks of FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 398, as platted and recorded in Book 16, Page 47, Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots and all of the blocks of SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 399, as platted and recorded in Book 16, Page 48,

Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots of THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 485, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 486, as platted and recorded in Deschutes County Oregon Plat Records, and such additional platted subdivisions as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot in the FIFTH ADDITION TO STAGE STOP MEADOWS, a subdivision, is described as follows:

- (1) STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 1 through 21; and Block 2, Lots 1 through 5; inclusive;
- (2) FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 22 through 27 and Lots 43 through 53, inclusive;
- (3) SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 54 through 55; Block 3, Lots 1 through 8 and Lots 50 through 57; inclusive;
- (4) THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 28 through 42, inclusive;
- (5) FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 1 through 52, inclusive; and
- (6) FIFTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 3, Lots 9 and 10, Lots 47 through 49 and Lots 58 through 66; and Block 4, Lot 1; inclusive.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to STAGE STOP,

INC., an Oregon corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II - ADDITIONAL REAL PROPERTY

Section 1. Except for Common Area owned by the Association, a roadway dedicated to the public and certain recorded sales of lots within STAGE STOP MEADOWS, FIRST ADDITION and SECOND ADDITION, subdivisions, Declarant is the owner of certain real property located in Deschutes County, Oregon, more particularly described on Exhibit A attached hereto and incorporated by this reference as if set forth in full herein. Declarant intends to develop such real property in separate subdivisions, the first of which is platted and recorded as "Stage Stop Meadows," the second of which is platted and recorded as "First Addition to Stage Stop Meadows," the third of which is platted and recorded as "Second Addition to Stage Stop Meadows," the fourth of which is platted and recorded as "Third Addition to Stage Stop Meadows," and the fifth of which is platted and recorded as "Fourth Addition to Stage Stop Meadows," and the sixth of which is platted and recorded as "Fifth Addition to Stage Stop Meadows," as hereinabove more particularly described. From time to time, at the sole discretion of Declarant, Declarant may plat and record additional subdivisions in accordance with its overall development plan submitted as a "Planned Unit Development" to the appropriate governmental officials of Deschutes County, Oregon. Such additional subdivisions within Exhibit A hereof developed by Declarant shall, when platted and recorded, along with a similar "Declaration," be considered as though included in the original and initial filing of this Declaration. The owner or owners of the real property therein shall be and become members of the Association upon the recording of a deed to the common areas contained therein conveying the same to the Association.

Section 2. The Association, may, at any time, annex additional residential properties and Common Areas to the Properties described in Exhibit A hereof, and shall add to its membership under the provisions of ARTICLE III hereof, provided that annexation of additional Properties shall require the assent of two-thirds of the vote of the membership of the Association present in person or by proxy at a special meeting of the members duly called for this purpose.

Section 3. If, within six years of the date of incorporation of the Association, the Declarant should develop additional lands adjacent to the area located in Deschutes County, Oregon described in Exhibit A hereof, such additional lands may be annexed to said real property when platted and recorded along

with a similar "Declaration" without the assent of the members, and the owner or owners of real property therein shall be and become members of the Association upon the recording of a similar Declaration and a deed to the common areas contained therein conveying the same to the Association.

Section 4. With respect to the annexation of additional property within six years of the date of incorporation of the Association, such annexed property shall be considered as though it were included in the original and initial filing of this Declaration.

ARTICLE III - MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE IV - PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Association to limit the number of guests of members;
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;
- (d) The right of the Association to suspend the right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed

sixty (60) days for any infraction of its published rules and regulations; and

- (e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been recorded signed by two-thirds (2/3rds) of the members.

Section 2. Delegation of Use. Any member may delegate in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area located within the Fifth Addition to Stage Stop Meadows, a subdivision, to the Association prior to the conveyance of the first Lot located within the Fifth Addition to Stage Stop Meadows, a subdivision. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors and assigns, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the Common Area.

ARTICLE V - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) monthly assessment or charges, and (2) special assessments to be fixed, established, and collected from time to time by the Board of Directors of the Association. The monthly and special assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied

by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties. They shall include but are not limited to funds for the actual cost to the Association of all taxes, insurance, repairs, replacement and maintenance of the Common Area, the maintenance and repair of roads and underground utilities, which are part of the Common Area, the maintenance of asphalt paving, curbs, gutters and drainage swails on the streets located in the Common Area, lighting and walkways, fees incurred in the management, security and operation of the Common Area and facilities, and other facilities and activities including but not limited to mowing grass, caring for the grounds, sprinkler system, landscaping, swimming pool, recreational buildings and equipment, and other charges required by this Declaration or that the Board of Directors of the Association, in their opinion, shall determine to be necessary to meet the primary purposes of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes, and other charges as specified herein.

Section 3. Special Assessment for Capital Improvements. In addition to the monthly assessments authorized above, the Association may levy a special assessment for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, PROVIDED THAT any such assessment shall have the assent of two-thirds of the votes of the membership of the Association present in person or by proxy at a special meeting of the members duly called for this purpose.

Section 4. Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all members.

Section 5. Effect of non-payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid before it becomes delinquent as determined by the Board of Directors of the Association, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against

such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in accordance with the provisions of the laws of the State of Oregon then in effect governing the foreclosure of mortgages on real property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage and to the lien of any second mortgage given to secure payment of the purchase price, now or hereafter placed on any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot, which is the subject of any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof, which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments becoming due thereafter or from the lien thereof.

Section 7. Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created therein: (a) All properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Oregon. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI - ARCHITECTURAL CONTROL

Section 1. Approval of Plans. No building, structure or fence shall be erected, placed or altered on any Lot (residential or non-residential) until the building plans, specifications and plot plan showing the nature, kind, shape, height, materials and location of such building have been submitted to and approved in writing as to quality of workmanship and materials, and conformity and harmony of external design with existing structures in the subdivision and with existing structures on the Lot or Lots owned by the applicant for approval, and as to location of the building with respect to existing buildings, topography and finished ground elevation, by a committee composed of three (3) or more members appointed by the Board of Directors of the Association to be known as the Architectural Control Committee.

Section 2. Construction Without Approval. If (1) the said committee or its designated representative fails to approve or

disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, or (2) no plans and specifications have been submitted to it and no suit relating to or arising out of the construction, improvement, making of alterations or changes has been commenced prior to 90 days after the completion thereof, such approval will not be required, and this Article will be deemed to have been fully complied with.

Section 3. Where to Submit Plans. All plans, specifications and plot plans, which must be submitted for approval hereunder shall be submitted to said committee at the principal office of the Association or to such other address as may hereafter be given in writing to the owners or contract purchasers involved by the Declarant or by said committee.

ARTICLE VII - USE RESTRICTIONS

Section 1. Residential Use - Minimum Space. Except for land designated as Common Area, and as otherwise provided herein, all of the lands contained in the Properties shall be used for residential purposes only. All buildings or structures erected upon said property shall be of new construction and no buildings or structures shall be moved from other locations onto said property. No dwelling shall be erected or placed on any Lot the original size of which contains less than 600 square feet ground floor plan for a two story dwelling and 800 square feet ground floor plan for a one story dwelling. No business activity of any kind whatsoever shall be conducted in any building or in any portion of the Properties, except the Common Area owned and operated by the Association, PROVIDED, HOWEVER, Declarant, its' agents, designees and successors, may construct and operate one or more buildings with restaurants, lounges, meeting rooms, rental offices or similar facilities, on any Lot or Lots retained by it so long as the location of such building or buildings is designated at the time of recording of the plat on the plat of any additional subdivision developed by Declarant, its successors and assigns, which is brought within the jurisdiction of the Association.

Section 2. Completion of Exterior. All buildings shall be completed and the exterior painted or stained within one year from the time construction is commenced and no dwelling shall be occupied for any purpose until such time as the exterior of said dwelling has been completed and painted or stained.

Section 3. Accessory Buildings. All accessory buildings shall be constructed with wood exterior or concrete block to be painted within six months from the date of completion. No building shall be constructed, altered, placed or permitted to remain on any Lot with galvanized or metal exterior, including

both walls and roof without the approval of the Architectural Control Committee. All accessory buildings shall be approved by the Architectural Committee in the manner hereinabove provided.

Section 4. No Temporary Residences. No structure of a temporary nature, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any parcel at any time as a residence, either temporarily or permanently, and no structure of any type shall be removed or placed on any Lot without the consent of the Architectural Control Committee.

Section 5. Freehold Estate. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

Section 6. Temporary Exception. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the Builder of townhouses or condominium units to maintain during the period of construction and sale thereof, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale thereof, including but without limitation a business office, storage area, construction yards, signs, model units and sales office. It is expressly understood and agreed that Declarant, or the Builder of said townhouses or condominiums, shall have the right to use the Common Area and related recreational facilities for sale and business office purposes, at a nominal rental of \$1.00 per year and for a term not to exceed five (5) years.

Section 7. Individual Water System. No individual water supply system shall be permitted upon any Lot.

Section 8. Individual Sewage System. No individual sewage disposal system shall be permitted on any Lot.

Section 9. Public Water and Sewage Systems. Each of the owners of Lots shall connect their properties to any public or local water supply system or public or local sewage disposal system within six months from the time that such facilities or either of them become available to their Lot or Lots.

Section 10. Further Subdivision. No Lot shall be further subdivided without the prior consent in writing of the Architectural Control Committee. Each and all of the restrictions herein contained shall apply to each parcel further subdivided in accordance with the provisions of this paragraph.

Section 11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Lots,

except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.

Section 12. Signs. No advertising signs (except one of not more than five square feet "for rent" or "for sale" sign per Lot), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Properties, nor shall the Properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot, townhouse or condominium or any resident thereof, PROVIDED, HOWEVER, the foregoing covenants shall not apply to the signs and billboards of Declarant, its agent, successors and assigns, during the construction and sale period, and of THE ASSOCIATION in furtherance of its powers and purposes.

Section 13. Miscellaneous Facilities. All clotheslines, basketball backboards, equipment, garbage cans, service yards or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring residences and streets.

Section 14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be disposed of in a sanitary manner. All containers or other equipment for the storage or disposal of garbage and trash shall be kept in a clean, sanitary condition. The burning of trash in outside incinerators, barbeque pits or the like is prohibited, it being intended that all refuse, trash, garbage and the like shall be hauled from the Properties. Garbage cans are to be kept in the attached storage sheds at all times.

Section 15. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood. No oil drilling, water drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derricks or other structure designed for use in boring for oil, water or natural gas shall be erected, maintained or permitted upon any Lot.

Section 16. Removal of Trees. The removal of trees, shrubs, and other improvements 4 inches in diameter measured 12 inches above the ground from individual Lots shall be prohibited unless approved by the Architectural Control Committee. No tree, shrub, or other improvement shall be removed from the Common Area except as approved by the Board of Directors of the Association and the Architectural Control Committee.

Section 17. Unused Automobiles or Vehicles of Any Kind.
All unused automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any Lot, except in a closed garage. Unused vehicles shall not be parked on any residential street or alley. "Unused vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of one (1) week or longer. A written notice describing the "unused vehicle" shall be personally served upon the owner of the vehicle, and if such vehicle has not been moved within seventy-two (72) hours thereafter, the Association shall have the right to remove the same and the expense thereof shall be charged against the Owner, and if such Owner be a member of the Association, the same shall be added to his monthly assessment as herein provided.

Section 18. Commercial Vehicles. No commercial type vehicles, no trucks and no recreational vehicle or trailer shall be stored or parked on any Lot except in a closed garage, nor parked on any residential street or alley except while engaged in the transport to or from a residence. For the purposes of this covenant, a 3/4-ton or smaller vehicle, commonly known as a pickup truck, but not including pickup trucks with camper attached or mobile homes or campers, shall not be deemed to be a commercial vehicle or truck. The Association shall provide off-site parking for recreational vehicles and trailers.

Section 19. Exterior Maintenance. Repainting and maintenance of townhouse, condominium, residence, garage, fence or other structure shall be in accordance with the scheme established for the entire area by the Architectural Control Committee. The Association may suspend the privileges of membership of any Owner who fails to maintain as above provided the exterior of the Owner's townhouse, condominium, residence, garage, fence or other structure within sixty (60) days of written notice so to do from the Architectural Control Committee. Such suspension shall be effective until such Owner complies with the above notice.

ARTICLE VIII - EASEMENTS

Section 1. Each Lot and the property included in the Common Area shall be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the Declarant or the Builder of townhouses or condominiums and approved by the Architectural Control Committee. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event the multi-family structure containing two or more townhouses or condominiums is partially or totally destroyed, and then rebuilt, the owners of the townhouses or condominiums so affected, and of any Lot, agree that minor encroachments of

parts of the adjacent townhouse units or condominiums or Common Area due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 2. There is hereby created a blanket easement upon, across, over and under all of the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system. By virtue of this easement, it shall be expressly permissible for the providing electrical, water, sewer and/or telephone company to erect, bury and maintain the necessary poles and other necessary equipment on the Common Area and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of townhouses and condominiums. An easement is further granted to all police, fire protection, ambulance and all similar persons to enter upon the private drive, streets and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any townhouse or condominium operated by such management company to perform the duties of maintenance and repair of the townhouses and condominiums or Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Area except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant or the Association shall have the right to grant such easement on the Common Area without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on the Properties.

ARTICLE IX - GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in

no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument, signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment made must be properly recorded in the Deed Records of Deschutes County, Oregon.

Section 4. Litigation Expense. Should suit or action be instituted to enforce any of the foregoing restrictions, conditions or covenants after written demand for the discontinuance of a violation thereof and any failure so to do, then whether said suit be reduced to decree or not, the Association or the owner or owners seeking to enforce or to restrain any such violation shall be entitled to have and recover from such defendant or defendants, in addition to costs and disbursements allowed by law, such sum as the court may adjudge reasonable as an attorney's fee in such suit or action and on any appeal thereof or therefrom. These restrictions shall be deemed for the protection and benefit of each and every one of the owners or occupants of any portion of the Properties and it is intended hereby that any such person shall have the right to prosecute such proceeding at law or in equity as may be appropriate to enforce the restrictions and covenants herein set forth.

Section 5. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 6. Captions. The captions appearing herein are inserted only as a matter of convenience and in no way define, limit or construe the scope or intent of such sections or articles contained herein, nor in any way affect this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 12 day of January, 1979.

STAGE STOP, INC., an Oregon corporation

By Forrest William Clough PresidentBy Gladys S. Rathbone Secretary

STATE OF OREGON)
) ss.
 County of Lane)

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Gladys S. Rathbone and William Clough, Secretary and President, respectively, of STAGE STOP, INC., an Oregon corporation, the Declarants herein, known to me as the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Secretary and President and that they executed the same for the purposes and considerations therein expressed, in the capacity therein, stated, and as thereunto duly authorized by the Board of Directors of the corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of January, 1979.

MY COMMISSION EXPIRES:

5-20-79
Eric L. Lamm
 Notary Public

The undersigned, having an interest in the real property being platted and recorded as "FIFTH ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

DATED this 18th day of January, 1979.

B. R. Bishop (Ranyard)
B. R. Bishop (Ranyard)

STATE OF OREGON)
) ss.
County of Deschutes)

On this 18th day of January, 1979, personally appeared the above named B. R. Bishop (Ranyard), and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

Cynthia S. Wedge
Notary Public for Oregon
My Commission Expires: 5-4-82



The undersigned, having an interest in the real property being platted and recorded as "FIFTH ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

DATED this 22 day of January, 1979.

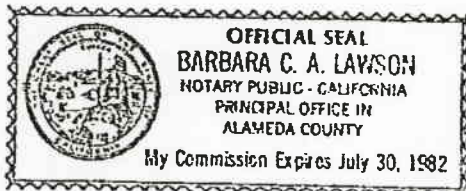
X Elizabeth B. Meyers
Elizabeth B. Meyers MYERS

STATE OF CALIFORNIA)
) ss.
County of Alameda)

On this 22 day of January, 1979, personally appeared the above named Elizabeth B. Meyers, and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

Barbara C. A. Lawson
Notary Public for California
My Commission Expires: 7-30-82



DESCRIPTION

PARCEL 1: The Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) described as follows: Beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) to the point of beginning, in Section Twenty-three (23), Township Twenty (20) South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 2: The Northeast Quarter of the Southeast Quarter (NE1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) North of the Deschutes River, EXCEPT: That portion beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) to the point of beginning, in Section Twenty-three (23) Township Twenty (20) South, Range Ten (10), East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 3: That portion of the West half of the Southwest Quarter (W1/2SW1/4) lying and being North and West of the Deschutes River, in Section Twenty-four (24), Township Twenty (20), South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

21205

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record:

the 26 day of Jan A.D. 1979at 2:44 o'clock P. M. and recorded:in Book 292 on Page 569 Recordsof 26

ROSEMARY PATTERSON

By Deputy County Clerk

EXHIBIT A

21210

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION made on the date hereinafter set forth by STAGE STOP, INC., an Oregon corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the County of Deschutes, State of Oregon, which is more particularly described as:

All of the lots of SIXTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Book 18, Page 7, Deschutes County Oregon Plat Records, recorded Jan, 26, 1979.

AND WHEREAS, Declarant will convey the above real property subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth:

NOW, THEREFORE, Declarant hereby declares that all of the real property described above shall be held, sold and conveyed subject to the following easements, reservations, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described real property, or any part thereof, their heirs, successors and assigns, and shall be for the benefit of and limitations upon each owner thereof.

ARTICLE I - DEFINITIONS

Section 1. "Association" shall mean and refer to STAGE STOP MEADOWS HOMEOWNERS ASSOCIATION, INC., a nonprofit Oregon corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to the real property hereinbefore described, all of the lots and all of the blocks of STAGE STOP MEADOWS, a subdivision, Plat No. 100, as platted and recorded in Book 13, Page 24, Deschutes County Oregon Plat Records, recorded October 12, 1973, and all of the lots and all of the blocks of FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 398, as platted and recorded in Book 16, Page 47, Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots and all of the blocks of SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 399, as platted and recorded in Book 16, Page 48,

Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots of THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 485, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 486, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of FIFTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Deschutes County Oregon Plat Records, and such additional platted subdivisions as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot in the SIXTH ADDITION TO STAGE STOP MEADOWS, a subdivision, is described as follows:

- (1) STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 1 through 21; and Block 2, Lots 1 through 5; inclusive;
- (2) FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 22 through 27 and Lots 43 through 53, inclusive;
- (3) SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 54 through 55; Block 3, Lots 1 through 8 and Lots 50 through 57; inclusive;
- (4) THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 28 through 42, inclusive;
- (5) FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 1 through 52, inclusive;
- (6) FIFTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 3, Lots 9 and 10, Lots 47 through 49 and Lots 58 through 66; and Block 4, Lot 1; inclusive; and
- (7) SIXTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 3, Lots 11 through 46 and Lots 67 through 72, inclusive.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to STAGE STOP, INC., an Oregon corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II - ADDITIONAL REAL PROPERTY

Section 1. Except for Common Area owned by the Association, a roadway dedicated to the public and certain recorded sales of lots within STAGE STOP MEADOWS, FIRST ADDITION and SECOND ADDITION, subdivisions, Declarant is the owner of certain real property located in Deschutes County, Oregon, more particularly described on Exhibit A attached hereto and incorporated by this reference as if set forth in full herein. Declarant intends to develop such real property in separate subdivisions, the first of which is platted and recorded as "Stage Stop Meadows," the second of which is platted and recorded as "First Addition to Stage Stop Meadows," the third of which is platted and recorded as "Second Addition to Stage Stop Meadows", the fourth of which is platted and recorded as "Third Addition to Stage Stop Meadows," and the fifth of which is platted and recorded as "Fourth Addition to Stage Stop Meadows," and the sixth of which is platted and recorded as "Fifth Addition to Stage Stop Meadows," and the seventh of which is platted and recorded as "Sixth Addition to Stage Stop Meadows," as hereinabove more particularly described. From time to time, at the sole discretion of Declarant, Declarant may plat and record additional subdivisions in accordance with its overall development plan submitted as a "Planned Unit Development" to the appropriate governmental officials of Deschutes County, Oregon. Such additional subdivisions within Exhibit A hereof developed by Declarant shall, when platted and recorded, along with a similar "Declaration," be considered as though included in the original and initial filing of this Declaration. The owner or owners of the real property therein shall be and become members of the Association upon the recording of a deed to the common areas contained therein conveying the same to the Association.

Section 2. The Association, may, at any time, annex additional residential properties and Common Areas to the Properties described in Exhibit A hereof, and shall add to its membership under the provisions of ARTICLE III hereof, provided that annexation of additional Properties shall require the assent of two-thirds of the vote of the membership of the Association present in person or by proxy at a special meeting of the members duly

called for this purpose.

Section 3. If, within six years of the date of incorporation of the Association, the Declarant should develop additional lands adjacent to the area located in Deschutes County, Oregon described in Exhibit A hereof, such additional lands may be annexed to said real property when platted and recorded along with a similar "Declaration" without the assent of the members, and the owner or owners of real property therein shall be and become members of the Association upon the recording of a similar Declaration and a deed to the common areas contained therein conveying the same to the Association.

Section 4. With respect to the annexation of additional property within six years of the date of incorporation of the Association, such annexed property shall be considered as though it were included in the original and initial filing of this Declaration.

ARTICLE III - MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE IV - PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Association to limit the number of guests of members;
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights

of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;

- (d) The right of the Association to suspend the right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and
- (e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been recorded signed by two-thirds (2/3rds) of the members.

Section 2. Delegation of Use. Any member may delegate in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area located within the Sixth Addition to Stage Stop Meadows, a subdivision, to the Association prior to the conveyance of the first Lot located within the Sixth Addition to Stage Stop Meadows, a subdivision. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors and assigns, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the Common Area.

ARTICLE V - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) monthly assessment or charges, and (2) special assessments to be fixed, established, and collected from time to time by the Board of Directors of the Association. The monthly and special assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such

interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties. They shall include but are not limited to funds for the actual cost to the Association of all taxes, insurance, repairs, replacement and maintenance of the Common Area, the maintenance and repair of roads and underground utilities, which are part of the Common Area, the maintenance of asphalt paving, curbs, gutters and drainage swails on the streets located in the Common Area, lighting and walkways, fees incurred in the management, security and operation of the Common Area and facilities, and other facilities and activities including but not limited to mowing grass, caring for the grounds, sprinkler system, landscaping, swimming pool, recreational buildings and equipment, and other charges required by this Declaration or that the Board of Directors of the Association, in their opinion, shall determine to be necessary to meet the primary purposes of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes, and other charges as specified herein.

Section 3. Special Assessment for Capital Improvements. In addition to the monthly assessments authorized above, the Association may levy a special assessment for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, PROVIDED THAT any such assessment shall have the assent of two-thirds of the votes of the membership of the Association present in person or by proxy at a special meeting of the members duly called for this purpose.

Section 4. Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all members.

Section 5. Effect of non-payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid before it becomes delinquent as determined by the Board of Directors of the Association, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum,

and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in accordance with the provisions of the laws of the State of Oregon then in effect governing the foreclosure of mortgages on real property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage and to the lien of any second mortgage given to secure payment of the purchase price, now or hereafter placed on any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot, which is the subject of any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof, which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments becoming due thereafter or from the lien thereof.

Section 7. Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created therein: (a) All properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Oregon. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI - ARCHITECTURAL CONTROL

Section 1. Approval of Plans. No building, structure or fence shall be erected, placed or altered on any Lot (residential or non-residential) until the building plans, specifications and plot plan showing the nature, kind, shape, height, materials and location of such building have been submitted to and approved in writing as to quality of workmanship and materials, and conformity and harmony of external design with existing structures in the subdivision and with existing structures on the Lot or Lots owned by the applicant for approval, and as to location of

the building with respect to existing buildings, topography and finished ground elevation, by a committee composed of three (3) or more members appointed by the Board of Directors of the Association to be known as the Architectural Control Committee.

Section 2. Construction Without Approval. If (1) the said committee or its designated representative fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, or (2) no plans and specifications have been submitted to it and no suit relating to or arising out of the construction, improvement, making of alterations or changes has been commenced prior to 90 days after the completion thereof, such approval will not be required, and this Article will be deemed to have been fully complied with.

Section 3. Where to Submit Plans. All plans, specifications and plot plans, which must be submitted for approval hereunder shall be submitted to said committee at the principal office of the Association or to such other address as may hereafter be given in writing to the owners or contract purchasers involved by the Declarant or by said committee.

ARTICLE VII - USE RESTRICTIONS

Section 1. Residential Use - Minimum Space. Except for land designated as Common Area, and as otherwise provided herein, all of the lands contained in the Properties shall be used for residential purposes only. All buildings or structures erected upon said property shall be of new construction and no buildings or structures shall be moved from other locations onto said property. No dwelling shall be erected or placed on any Lot the original size of which contains less than 600 square feet ground floor plan for a two story dwelling and 800 square feet ground floor plan for a one story dwelling. No business activity of any kind whatsoever shall be conducted in any building or in any portion of the Properties, except the Common Area owned and operated by the Association, PROVIDED, HOWEVER, Declarant, its agents, designees and successors, may construct and operate one or more buildings with restaurants, lounges, meeting rooms, rental offices or similar facilities, on any Lot or Lots retained by it so long as the location of such building or buildings is designated at the time of recording of the plat on the plat of any additional subdivision developed by Declarant, its successors and assigns, which is brought within the jurisdiction of the Association.

Section 2. Completion of Exterior. All buildings shall be completed and the exterior painted or stained within one year from the time construction is commenced and no dwelling shall be occupied for any purpose until such time as the exterior of

said dwelling has been completed and painted or stained.

Section 3. Accessory Buildings. All accessory buildings shall be constructed with wood exterior or concrete block to be painted within six months from the date of completion. No building shall be constructed, altered, placed or permitted to remain on any Lot with galvanized or metal exterior, including both walls and roof without the approval of the Architectural Control Committee. All accessory buildings shall be approved by the Architectural Committee in the manner hereinabove provided.

Section 4. No Temporary Residences. No structure of a temporary nature, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any parcel at any time as a residence, either temporarily or permanently, and no structure of any type shall be removed or placed on any Lot without the consent of the Architectural Control Committee.

Section 5. Freehold Estate. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

Section 6. Temporary Exception. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the Builder of townhouses or condominium units to maintain during the period of construction and sale thereof, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale thereof, including but without limitation a business office, storage area, construction yards, signs, model units and sales office. It is expressly understood and agreed that Declarant, or the Builder of said townhouses or condominiums, shall have the right to use the Common Area and related recreational facilities for sale and business office purposes, at a nominal rental of \$1.00 per year and for a term not to exceed five (5) years.

Section 7. Individual Water System. No individual water supply system shall be permitted upon any Lot.

Section 8. Individual Sewage System. No individual sewage disposal system shall be permitted on any Lot.

Section 9. Public Water and Sewage Systems. Each of the owners of Lots shall connect their properties to any public or local water supply system or public or local sewage disposal system within six months from the time that such facilities or either of them become available to their Lot or Lots.

Section 10. Further Subdivision. No Lot shall be further

subdivided without the prior consent in writing of the Architectural Control Committee. Each and all of the restrictions herein contained shall apply to each parcel further subdivided in accordance with the provisions of this paragraph.

Section 11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Lots, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.

Section 12. Signs. No advertising signs (except one of not more than five square feet "for rent" or "for sale" sign per Lot), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Properties, nor shall the Properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot, townhouse or condominium or any resident thereof, PROVIDED, HOWEVER, the foregoing covenants shall not apply to the signs and billboards of Declarant, its agent, successors and assigns, during the construction and sale period, and of THE ASSOCIATION in furtherance of its powers and purposes.

Section 13. Miscellaneous Facilities. All clotheslines, basketball backboards, equipment, garbage cans, service yards or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring residences and streets.

Section 14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be disposed of in a sanitary manner. All containers or other equipment for the storage or disposal of garbage and trash shall be kept in a clean, sanitary condition. The burning of trash in outside incinerators, barbeque pits or the like is prohibited, it being intended that all refuse, trash, garbage and the like shall be hauled from the Properties. Garbage cans are to be kept in the attached storage sheds at all times.

Section 15. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood. No oil drilling, water drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derricks or other structure designed for use in boring for oil, water or natural gas shall be erected, maintained or permitted upon any Lot.

Section 16. Removal of Trees. The removal of trees,

shrubs, and other improvements 4 inches in diameter measured 12 inches above the ground from individual Lots shall be prohibited unless approved by the Architectural Control Committee. No tree, shrub, or other improvement shall be removed from the Common Area except as approved by the Board of Directors of the Association and the Architectural Control Committee.

Section 17. Unused Automobiles or Vehicles of Any Kind.
All unused automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any Lot, except in a closed garage. Unused vehicles shall not be parked on any residential street or alley. "Unused vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of one (1) week or longer. A written notice describing the "unused vehicle" shall be personally served upon the owner of the vehicle, and if such vehicle has not been moved within seventy-two (72) hours thereafter, the Association shall have the right to remove the same and the expense thereof shall be charged against the Owner, and if such Owner be a member of the Association, the same shall be added to his monthly assessment as herein provided.

Section 18. Commercial Vehicles. No commercial type vehicles, no trucks and no recreational vehicle or trailer shall be stored or parked on any Lot except in a closed garage, nor parked on any residential street or alley except while engaged in the transport to or from a residence. For the purposes of this covenant, a 3/4-ton or smaller vehicle, commonly known as a pickup truck, but not including pickup trucks with camper attached or mobile homes or campers, shall not be deemed to be a commercial vehicle or truck. The Association shall provide off-site parking for recreational vehicles and trailers.

Section 19. Exterior Maintenance. Repainting and maintenance of townhouse, condominium, residence, garage, fence or other structure shall be in accordance with the scheme established for the entire area by the Architectural Control Committee. The Association may suspend the privileges of membership of any Owner who fails to maintain as above provided the exterior of the Owner's townhouse, condominium, residence, garage, fence or other structure within sixty (60) days of written notice so to do from the Architectural Control Committee. Such suspension shall be effective until such Owner complies with the above notice.

ARTICLE VIII - EASEMENTS

Section 1. Each Lot and the property included in the Common Area shall be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the Declarant or the Builder of townhouses or condo-

miniums and approved by the Architectural Control Committee. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event the multi-family structure containing two or more townhouses or condominiums is partially or totally destroyed, and then rebuilt, the owners of the townhouses or condominiums so affected, and of any Lot, agree that minor encroachments of parts of the adjacent townhouse units or condominiums or Common Area due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 2. There is hereby created a blanket easement upon, across, over and under all of the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system. By virtue of this easement, it shall be expressly permissible for the providing electrical, water, sewer and/or telephone company to erect, bury and maintain the necessary poles and other necessary equipment on the Common Area and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of townhouses and condominiums. An easement is further granted to all police, fire protection, ambulance and all similar persons to enter upon the private drive, streets and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any townhouse or condominium operated by such management company to perform the duties of maintenance and repair of the townhouses and condominiums or Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Area except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant or the Association shall have the right to grant such easement on the Common Area without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on the Properties.

ARTICLE IX - GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations,

liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument, signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment made must be properly recorded in the Deed Records of Deschutes County, Oregon.

Section 4. Litigation Expense. Should suit or action be instituted to enforce any of the foregoing restrictions, conditions or covenants after written demand for the discontinuance of a violation thereof and any failure so to do, then whether said suit be reduced to decree or not, the Association or the owner or owners seeking to enforce or to restrain any such violation shall be entitled to have and recover from such defendant or defendants, in addition to costs and disbursements allowed by law, such sum as the court may adjudge reasonable as an attorney's fee in such suit or action and on any appeal thereof or therefrom. These restrictions shall be deemed for the protection and benefit of each and every one of the owners or occupants of any portion of the Properties and it is intended hereby that any such person shall have the right to prosecute such proceeding at law or in equity as may be appropriate to enforce the restrictions and covenants herein set forth.

Section 5. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 6. Captions. The captions appearing herein are inserted only as a matter of convenience and in no way define,

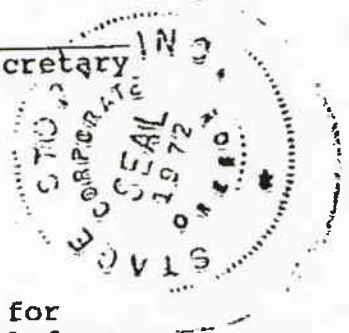
limit or construe the scope or intent of such sections or articles contained herein, nor in any way affect this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 18th day of January, 1979.

STAGE STOP, INC., an Oregon corporation

By Forrest William Clough
President

By Gladys S. Rathbone
Secretary



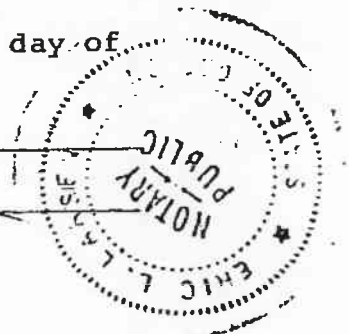
STATE OF OREGON)
) ss.
County of Lane)

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Gladys S. Rathbone and William Clough, Secretary and President, respectively, of STAGE STOP, INC., an Oregon corporation, the Declarants herein, known to me as the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Secretary and President and that they executed the same for the purposes and considerations therein expressed, in the capacity therein, stated, and as thereunto duly authorized by the Board of Directors of the corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of January, 1979.

MY COMMISSION EXPIRES: 5-20-79

Eric L. Lane
Notary Public



B.R.B.
SIXTH

The undersigned, having an interest in the real property being platted and recorded as "~~FIFTH~~ ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

DATED this 18th day of January, 1979.

B. R. Bishop (Ranyard)
 B. R. Bishop (Ranyard)

STATE OF OREGON)
) ss.
 County of Deschutes)

On this 18th day of January, 1979, personally appeared the above named B. R. Bishop (Ranyard), and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

Cynthia S. Wedge
 Notary Public for Oregon
 My Commission Expires: 5-4-82



The undersigned, having an interest in the real property being platted and recorded as "SIXTH ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

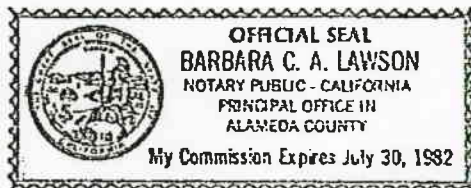
DATED this 20th day of January, 1979.

Elizabeth B. Meyers
Elizabeth B. Meyers MY 13128

STATE OF CALIFORNIA)
) ss.
County of Alameda)

On this 20th day of January, 1979, personally appeared the above named Elizabeth B. Meyers, and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:



Barbara C. A. Lawson
Notary Public for California
My Commission Expires: 7-30-82.

DESCRIPTION

PARCEL 1: The Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) described as follows: Beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) to the point of beginning, in Section Twenty-three (23), Township Twenty (20) South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 2: The Northeast Quarter of the Southeast Quarter (NE1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) North of the Deschutes River, EXCEPT: That portion beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) to the point of beginning, in Section Twenty-three (23) Township Twenty (20) South, Range Ten (10), East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 3: That portion of the West half of the Southwest Quarter (W1/2SW1/4) lying and being North and West of the Deschutes River, in Section Twenty-four (24), Township Twenty (20), South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

21210

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record
 the 26 day of Jan A.D. 1979
 at 2:19 o'clock P M., and recorded
 in Book 292 on Page 535 Records
 of Clatsop

ROSEMARY PATTERSON

County Clerk

By James T. Sullivan Deputy

EXHIBIT A

21220

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION made on the date hereinafter set forth by STAGE STOP, INC., an Oregon corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the County of Deschutes, State of Oregon, which is more particularly described as:

All of the lots of EIGHTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Book 18, Page 9, Deschutes County Oregon Plat Records, recorded Jan, 26, 1979.

AND WHEREAS, Declarant will convey the above real property subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth:

NOW, THEREFORE, Declarant hereby declares that all of the real property described above shall be held, sold and conveyed subject to the following easements, reservations, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described real property, or any part thereof, their heirs, successors and assigns, and shall be for the benefit of and limitations upon each owner thereof.

ARTICLE I - DEFINITIONS

Section 1. "Association" shall mean and refer to STAGE STOP MEADOWS HOMEOWNERS ASSOCIATION, INC., a nonprofit Oregon corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to the real property hereinbefore described, all of the lots and all of the blocks of STAGE STOP MEADOWS, a subdivision, Plat No. 100, as platted and recorded in Book 13, Page 24, Deschutes County Oregon Plat Records, recorded October 12, 1973, and all of the lots and all of the blocks of FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 398, as platted and recorded in Book 16, Page 47, Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots and all of the blocks of SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 399, as platted and recorded in Book 16, Page 48,

Deschutes County Oregon Plat Records, recorded December 12, 1977, and all of the lots of THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 485, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. 486, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of FIFTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of SIXTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Deschutes County Oregon Plat Records, and all the lots of SEVENTH ADDITION TO STAGE STOP MEADOWS, a subdivision, Plat No. _____, as platted and recorded in Deschutes County Oregon Plat Records, and such additional platted subdivisions as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot in the EIGHTH ADDITION TO STAGE STOP MEADOWS, a subdivision, is described as follows:

- (1) STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 1 through 21; and Block 2, Lots 1 through 5; inclusive;
- (2) FIRST ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 22 through 27 and Lots 43 through 53, inclusive;
- (3) SECOND ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Block 1, Lots 54 through 55; Block 3, Lots 1 through 8 and Lots 50 through 57; inclusive;
- (4) THIRD ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 28 through 42, inclusive;
- (5) FOURTH ADDITION TO STAGE STOP MEADOWS, a subdivision, EXCEPT: Lots 1 through 52, inclusive;
- (6) FIFTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 3, Lots 9 and 10, Lots 47 through 49 and Lots 58 through 66; and Block 4, Lot 1, inclusive;
- (7) SIXTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 3. Lots 11 through 46 and Lots 67 through 72, inclusive;

- (8) SEVENTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 4, Lots 2 through 31, inclusive; and
- (9) EIGHTH ADDITION TO STAGE STOP MEADOWS; a subdivision, EXCEPT: Block 5, Lots 1 through 25, inclusive.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to STAGE STOP, INC., an Oregon corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II - ADDITIONAL REAL PROPERTY

Section 1. Except for Common Area owned by the Association, a roadway dedicated to the public and certain recorded sales of lots within STAGE STOP MEADOWS, FIRST ADDITION and SECOND ADDITION, subdivisions, Declarant is the owner of certain real property located in Deschutes County, Oregon, more particularly described on Exhibit A attached hereto and incorporated by this reference as if set forth in full herein. Declarant has developed such real property in separate subdivisions, the first of which is platted and recorded as "Stage Stop Meadows," the second of which is platted and recorded as "First Addition to Stage Stop Meadows," the third of which is platted and recorded as "Second Addition to Stage Stop Meadows," the fourth of which is platted and recorded as "Third Addition to Stage Stop Meadows," and the fifth of which is platted and recorded as "Fourth Addition to Stage Stop Meadows," and the sixth of which is platted and recorded as "Fifth Addition to Stage Stop Meadows," and the seventh of which is platted and recorded as "Sixth Addition to Stage Stop Meadows," and the eighth of which is platted and recorded as "Seventh Addition to Stage Stop Meadows," and the ninth of which is platted and recorded as "Eighth Addition to Stage Stop Meadows," as hereinabove more particularly described.

Section 2. The Association, may, at any time, annex additional residential properties and Common Areas to the Properties

described in Exhibit A hereof, and shall add to its membership under the provisions of ARTICLE III hereof, provided that annexation of additional Properties shall require the assent of two-thirds of the vote of the membership of the Association present in person or by proxy at a special meeting of the members duly called for this purpose.

Section 3. If, within six years of the date of incorporation of the Association, the Declarant should develop additional lands adjacent to the area located in Deschutes County, Oregon described in Exhibit A hereof, such additional lands may be annexed to said real property when platted and recorded along with a similar "Declaration" without the assent of the members, and the owner or owners of real property therein shall be and become members of the Association upon the recording of a similar Declaration and a deed to the common areas contained therein conveying the same to the Association.

Section 4. With respect to the annexation of additional property within six years of the date of incorporation of the Association, such annexed property shall be considered as though it were included in the original and initial filing of this Declaration.

ARTICLE III - MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE IV - PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Association to limit the number of guests of members;
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

- (c) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;
- (d) The right of the Association to suspend the right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and
- (e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been recorded signed by two-thirds (2/3rds) of the members.

Section 2. Delegation of Use. Any member may delegate in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area located within the Eighth Addition to Stage Stop Meadows, a subdivision, to the Association prior to the conveyance of the first Lot located within the Eighth Addition to Stage Stop Meadows, a subdivision. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors and assigns, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the Common Area.

ARTICLE V - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) monthly assessment or charges, and (2) special assessments to be fixed, established, and collected from time to time by the Board of Directors of the Association. The monthly and special assessment, together

with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties. They shall include but are not limited to funds for the actual cost to the Association of all taxes, insurance, repairs, replacement and maintenance of the Common Area, the maintenance and repair of roads and underground utilities, which are part of the Common Area, the maintenance of asphalt paving, curbs, gutters and drainage swails on the streets located in the Common Area, lighting and walkways, fees incurred in the management, security and operation of the Common Area and facilities, and other facilities and activities including but not limited to mowing grass, caring for the grounds, sprinkler system, landscaping, swimming pool, recreational buildings and equipment, and other charges required by this Declaration or that the Board of Directors of the Association, in their opinion, shall determine to be necessary to meet the primary purposes of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes, and other charges as specified herein.

Section 3. Special Assessment for Capital Improvements. In addition to the monthly assessments authorized above, the Association may levy a special assessment for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, PROVIDED THAT any such assessment shall have the assent of two-thirds of the votes of the membership of the Association present in person or by proxy at a special meeting of the members duly called for this purpose.

Section 4. Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all members.

Section 5. Effect of non-payment of Assessments: Remedies of the Association. Any assessments which are not paid when

due shall be delinquent. If the assessment is not paid before it becomes delinquent as determined by the Board of Directors of the Association, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in accordance with the provisions of the laws of the State of Oregon then in effect governing the foreclosure of mortgages on real property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage and to the lien of any second mortgage given to secure payment of the purchase price, now or hereafter placed on any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot, which is the subject of any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof, which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments becoming due thereafter or from the lien thereof.

Section 7. Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created therein: (a) All properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Oregon. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI - ARCHITECTURAL CONTROL

Section 1. Approval of Plans. No building, structure or fence shall be erected, placed or altered on any Lot (residential or non-residential) until the building plans, specifications and plot plan showing the nature, kind, shape, height, materials and location of such building have been submitted to and approved

in writing as to quality of workmanship and materials, and conformity and harmony of external design with existing structures in the subdivision and with existing structures on the Lot or Lots owned by the applicant for approval, and as to location of the building with respect to existing buildings, topography and finished ground elevation, by a committee composed of three (3) or more members appointed by the Board of Directors of the Association to be known as the Architectural Control Committee.

Section 2. Construction Without Approval. If (1) the said committee or its designated representative fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, or (2) no plans and specifications have been submitted to it and no suit relating to or arising out of the construction, improvement, making of alterations or changes has been commenced prior to 90 days after the completion thereof, such approval will not be required, and this Article will be deemed to have been fully complied with.

Section 3. Where to Submit Plans. All plans, specifications and plot plans, which must be submitted for approval hereunder shall be submitted to said committee at the principal office of the Association or to such other address as may hereafter be given in writing to the owners or contract purchasers involved by the Declarant or by said committee.

ARTICLE VII - USE RESTRICTIONS

Section 1. Residential Use - Minimum Space. Except for land designated as Common Area, and as otherwise provided herein, all of the lands contained in the Properties shall be used for residential purposes only. All buildings or structures erected upon said property shall be of new construction and no buildings or structures shall be moved from other locations onto said property. No dwelling shall be erected or placed on any Lot the original size of which contains less than 600 square feet ground floor plan for a two story dwelling and 800 square feet ground floor plan for a one story dwelling. No business activity of any kind whatsoever shall be conducted in any building or in any portion of the Properties, except the Common Area owned and operated by the Association, PROVIDED, HOWEVER, Declarant, its' agents, designees and successors, may construct and operate one or more buildings with restaurants, lounges, meeting rooms, rental offices or similar facilities, on any Lot or Lots retained by it so long as the location of such building or buildings is designated at the time of recording of the plat on the plat of any additional subdivision developed by Declarant, its successors and assigns, which is brought within the jurisdiction of the Association.

Section 2. Completion of Exterior. All buildings shall be completed and the exterior painted or stained within one year from the time construction is commenced and no dwelling shall be occupied for any purpose until such time as the exterior of said dwelling has been completed and painted or stained.

Section 3. Accessory Buildings. All accessory buildings shall be constructed with wood exterior or concrete block to be painted within six months from the date of completion. No building shall be constructed, altered, placed or permitted to remain on any Lot with galvanized or metal exterior, including both walls and roof without the approval of the Architectural Control Committee. All accessory buildings shall be approved by the Architectural Committee in the manner hereinabove provided.

Section 4. No Temporary Residences. No structure of a temporary nature, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any parcel at any time as a residence, either temporarily or permanently, and no structure of any type shall be removed or placed on any Lot without the consent of the Architectural Control Committee.

Section 5. Freehold Estate. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

Section 6. Temporary Exception. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the Builder of townhouses or condominium units to maintain during the period of construction and sale thereof, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale thereof, including but without limitation a business office, storage area, construction yards, signs, model units and sales office. It is expressly understood and agreed that Declarant, or the Builder of said townhouses or condominiums, shall have the right to use the Common Area and related recreational facilities for sale and business office purposes, at a nominal rental of \$1.00 per year and for a term not to exceed five (5) years.

Section 7. Individual Water System. No individual water supply system shall be permitted upon any Lot.

Section 8. Individual Sewage System. No individual sewage disposal system shall be permitted on any Lot.

Section 9. Public Water and Sewage Systems. Each of the owners of Lots shall connect their properties to any public or local water supply system or public or local sewage disposal

system within six months from the time that such facilities or either of them become available to their Lot or Lots.

Section 10. Further Subdivision. No Lot shall be further subdivided without the prior consent in writing of the Architectural Control Committee. Each and all of the restrictions herein contained shall apply to each parcel further subdivided in accordance with the provisions of this paragraph.

Section 11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Lots, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.

Section 12. Signs. No advertising signs (except one of not more than five square feet "for rent" or "for sale" sign per Lot), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Properties, nor shall the Properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot, townhouse or condominium or any resident thereof, PROVIDED, HOWEVER, the foregoing covenants shall not apply to the signs and billboards of Declarant, its agent, successors and assigns, during the construction and sale period, and of THE ASSOCIATION in furtherance of its powers and purposes.

Section 13. Miscellaneous Facilities. All clotheslines, basketball backboards, equipment, garbage cans, service yards or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring residences and streets.

Section 14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be disposed of in a sanitary manner. All containers or other equipment for the storage or disposal of garbage and trash shall be kept in a clean, sanitary condition. The burning of trash in outside incinerators, barbeque pits or the like is prohibited, it being intended that all refuse, trash, garbage and the like shall be hauled from the Properties. Garbage cans are to be kept in the attached storage sheds at all times.

Section 15. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood. No oil drilling, water drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derricks or other

structure designed for use in boring for oil, water or natural gas shall be erected, maintained or permitted upon any Lot.

Section 16. Removal of Trees. The removal of trees, shrubs, and other improvements 4 inches in diameter measured 12 inches above the ground from individual Lots shall be prohibited unless approved by the Architectural Control Committee. No tree, shrub, or other improvement shall be removed from the Common Area except as approved by the Board of Directors of the Association and the Architectural Control Committee.

Section 17. Unused Automobiles or Vehicles of Any Kind. All unused automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any Lot, except in a closed garage. Unused vehicles shall not be parked on any residential street or alley. "Unused vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of one (1) week or longer. A written notice describing the "unused vehicle" shall be personally served upon the owner of the vehicle, and if such vehicle has not been moved within seventy-two (72) hours thereafter, the Association shall have the right to remove the same and the expense thereof shall be charged against the Owner, and if such Owner be a member of the Association, the same shall be added to his monthly assessment as herein provided.

Section 18. Commercial Vehicles. No commercial type vehicles, no trucks and no recreational vehicle or trailer shall be stored or parked on any Lot except in a closed garage, nor parked on any residential street or alley except while engaged in the transport to or from a residence. For the purposes of this covenant, a 3/4-ton or smaller vehicle, commonly known as a pickup truck, but not including pickup trucks with camper attached or mobile homes or campers, shall not be deemed to be a commercial vehicle or truck. The Association shall provide off-site parking for recreational vehicles and trailers.

Section 19. Exterior Maintenance. Repainting and maintenance of townhouse, condominium, residence, garage, fence or other structure shall be in accordance with the scheme established for the entire area by the Architectural Control Committee. The Association may suspend the privileges of membership of any Owner who fails to maintain as above provided the exterior of the Owner's townhouse, condominium, residence, garage, fence or other structure within sixty (60) days of written notice so to do from the Architectural Control Committee. Such suspension shall be effective until such Owner complies with the above notice.

ARTICLE VIII - EASEMENTS

Section 1. Each Lot and the property included in the Common

Area shall be subject to an easement for encroachments created by construction, settling and overhangs, as designed or constructed by the Declarant or the Builder of townhouses or condominiums and approved by the Architectural Control Committee. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event the multi-family structure containing two or more townhouses or condominiums is partially or totally destroyed, and then rebuilt, the owners of the townhouses or condominiums so affected, and of any Lot, agree that minor encroachments of parts of the adjacent townhouse units or condominiums or Common Area due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 2. There is hereby created a blanket easement upon, across, over and under all of the Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system. By virtue of this easement, it shall be expressly permissible for the providing electrical, water, sewer and/or telephone company to erect, bury and maintain the necessary poles and other necessary equipment on the Common Area and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of townhouses and condominiums. An easement is further granted to all police, fire protection, ambulance and all similar persons to enter upon the private drive, streets and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any townhouse or condominium operated by such management company to perform the duties of maintenance and repair of the townhouses and condominiums or Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Area except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant or the Association shall have the right to grant such easement on the Common Area without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on the Properties.

ARTICLE IX - GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner,

shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument, signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment made must be properly recorded in the Deed Records of Deschutes County, Oregon.

Section 4. Litigation Expense. Should suit or action be instituted to enforce any of the foregoing restrictions, conditions or covenants after written demand for the discontinuance of a violation thereof and any failure so to do, then whether said suit be reduced to decree or not, the Association or the owner or owners seeking to enforce or to restrain any such violation shall be entitled to have and recover from such defendant or defendants, in addition to costs and disbursements allowed by law, such sum as the court may adjudge reasonable as an attorney's fee in such suit or action and on any appeal thereof or therefrom. These restrictions shall be deemed for the protection and benefit of each and every one of the owners or occupants of any portion of the Properties and it is intended hereby that any such person shall have the right to prosecute such proceeding at law or in equity as may be appropriate to enforce the restrictions and covenants herein set forth.

Section 5. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 6. Captions. The captions appearing herein are inserted only as a matter of convenience and in no way define, limit or construe the scope or intent of such sections or articles contained herein, nor in any way affect this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 13th day of January, 1979.

STAGE STOP, INC., an Oregon corporation

By Forrest William Clough
President

By Gladys S. Rathbone
Secretary

STATE OF OREGON)
) ss.
County of Lane)

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Gladys S. Rathbone and William Clough, Secretary and President, respectively, of STAGE STOP, INC., an Oregon corporation, the Declarants herein, known to me as the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Secretary and President and that they executed the same for the purposes and considerations therein expressed, in the capacity therein, stated, and as thereunto duly authorized by the Board of Directors of the corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of January, 1979.

MY COMMISSION EXPIRES: 5-20-79

Eric J. Larsen
Notary Public

B.R.B.R.
EIGHTH

The undersigned, having an interest in the real property being platted and recorded as "FIFTH ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

DATED this 18th day of January, 1979.

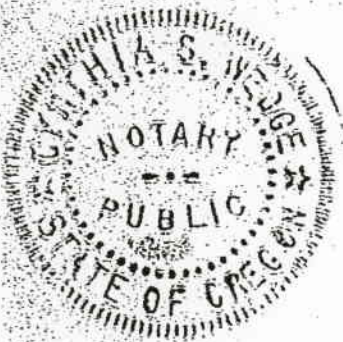
B. R. Bishop (Ranyard)
B. R. Bishop (Ranyard)

STATE OF OREGON)
) ss.
County of Deschutes)

On this 18th day of January, 1979, personally appeared the above named B. R. Bishop (Ranyard), and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

Cynthia S. Wedge
Notary Public for Oregon
My Commission Expires: 5-4-82



The undersigned, having an interest in the real property being platted and recorded as "EIGHTH ADDITION TO STAGE STOP MEADOWS," a subdivision, as hereinabove described, by virtue of being the Mortgagee under that certain Mortgage dated January 1, 1972, recorded May 19, 1972 in Volume 179 at Page 405 of the Real Property Records of Deschutes County, Oregon, does hereby join in the execution of this Declaration for the purposes and considerations described in such Declaration.

DATED this 28th day of January, 1979.

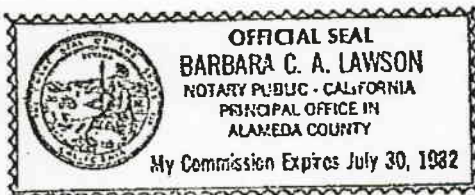
x Elizabeth B. Meyers
Elizabeth B. Meyers MYERS

STATE OF CALIFORNIA)
) ss.
County of Alameda)

On this 28th day of January, 1979, personally appeared the above named Elizabeth B. Meyers, and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me:

Barbara C. A. Lawson
Notary Public for California
My Commission Expires: 7-30-82



DESCRIPTION

PARCEL 1: The Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) described as follows: Beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) to the point of beginning, in Section Twenty-three (23), Township Twenty (20) South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 2: The Northeast Quarter of the Southeast Quarter (NE1/4SE1/4) and that portion of the Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) North of the Deschutes River, EXCEPT: That portion beginning at the Northwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence East along the North line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) 300.0 feet; thence South at a right angle, to the Deschutes River; thence Westerly and Southerly along the Deschutes River to the South line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence along the South line to the Southwest corner of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4); thence North along the West line of said Southeast Quarter of the Southeast Quarter (SE1/4SE1/4) to the point of beginning, in Section Twenty-three (23) Township Twenty (20) South, Range Ten (10), East of the Willamette Meridian, Deschutes County, Oregon.

PARCEL 3: That portion of the West half of the Southwest Quarter (W1/2SW1/4) lying and being North and West of the Deschutes River, in Section Twenty-four (24), Township Twenty (20), South, Range Ten (10) East of the Willamette Meridian, Deschutes County, Oregon.

21220

STATE OF OREGON

County of Deschutes

I hereby certify that the within instrument of writing was received for Record

this 26 day of June A.D. 1977

at 2:17 o'clock P.M. and recorded

in Book 292 on Page 629 Records

MARY FATTERSON

County Clerk

Diane Sullivan Deputy

EXHIBIT A