

**DECLARATIONS, RESTRICTIONS, PROTECTIVE
COVENANTS AND CONDITIONS
VANDEVERT RANCH, PHASE II**

By instrument dated August 31, 1992, and recorded August 31, 1992, in Volume 275, Page 0282, Official Records of Deschutes County, Oregon, JAMES A. GARDNER and CAROL W. GARDNER, established the Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch.

The Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch contemplated that developer would, at any time during the term of the Declaration, add all or a portion of any land now or hereafter owned by Declarant to the Property which was covered by said Declaration.

Declarant now wishes to subject the area known as Vandevent Ranch, Phase II to the Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch, to annex such Property to Vandevent Ranch and to make provisions for the conditions upon which such Property may be used.

NOW, THEREFORE, Declarant does hereby declare and provide as follows:

SECTION 1. DEFINITIONS

1.1 INCORPORATION BY REFERENCE: Each of the terms defined in Article 1 of the Declarations for Vandevent Ranch shall have the meanings set forth in such Article 1.

1.2 The "Property" shall mean Vandevent Ranch, Phase II, as described in Exhibit "A" attached hereto.

1.3 Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch shall mean that certain document entitled "Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch" dated August 31, 1992, recorded August 31, 1992, in Volume 275, Page 0282, Official Records of Deschutes County, Oregon.

1.4 "Vandevent Ranch, Phase II", shall mean the area described on Exhibit "A" attached hereto.

1.5 The term "owner" as applied to the septic system as described in Section 3.2 thru 3.6 shall refer to the owners of lots in Vandevent Ranch, Phase II.

1 - DECLARATION OF CC&R'S (rsl:gard039.001)

After recording, return to:
BEND TITLE COMPANY
15 OREGON AVENUE, BEND

Hurley Bryant Lovlien Lynch Jarvis & Re
ATTORNEYS AT LAW

401 N.W. Greenwood P.O. Box 1151 Bend, Oregon 97709-1151 (503) 382-4331 Fax (503) 389-3386

SECTION 2. SUBJECTION OF VANDEVERT RANCH PHASE II TO THE DECLARATIONS, RESTRICTIONS, PROTECTIVE COVENANTS AND CONDITIONS FOR VANDEVERT RANCH

2.1 ANNEXATION: Declarant hereby declares that Vandever Ranch, Phase II, shall be part of that certain residential community known as Vandever Ranch as referred to the Declarations, Restrictions, Protective Covenants and Conditions for Vandever Ranch.

2.2 DECLARATION OF RESTRICTIONS: The covenants and conditions set forth in Articles _____ through _____, inclusive, of the Declarations, Restrictions, Protective Covenants and Conditions for Vandever Ranch shall be applicable within the Property except as may be restricted in this instrument. The Property shall be held, conveyed, hypothecated, encumbered, used, occupied and improved only in accordance with the provisions made in this instrument and the Declarations, Restrictions, Protective Covenants and Conditions for Vandever Ranch.

2.3 SEPTIC EASEMENT: Each Owner within Vandever Ranch, Phase II shall be entitled to rights, privileges and benefits imposed by that certain Easement recorded in Volume 276, Page 1855, Official Records of Deschutes County, Oregon, wherein Vandever Ranch Association, Inc., an Oregon non-profit corporation, conveyed to all of the owners within Vandever Ranch, Phase I, and all owners in any subsequent phases of Vandever Ranch, certain easements for the installation, maintenance and repair of septic tanks, septic drainfields and any and all lines, pumps or other appurtenances to any such systems.

2.4 VIEW PROTECTION: There are existing views of Mt. Bachelor from lots within Vandever Ranch, Phase II. The Association shall take appropriate measures to protect those views by pruning or cutting of trees as may be necessary; provided, however, that such measure shall be taken in consultation with the owners of affected lots and owners of neighboring affected lots and shall not in the exclusive judgment of the Association significantly diminish the natural forest environment of the affected property. The owners of any affected lot may request Association action to maintain existing views.

SECTION 3. SEWER OR SEPTIC SYSTEM

3.1 SUNRIVER UTILITY COMPANY: If Declarant enters into an agreement with Sunriver Utility Company, an Oregon Corporation, to provide sewer service for each lot in Vandever Ranch, Phase II, each lot owner agrees to be bound by the rules and regulations of Sunriver Utility Company in accordance with the Sewer Service Agreement by and between Declarant and Sunriver Utility Company.

If Declarant enters into a sewer service agreement with Sunriver Utility Company, Declarant will not be responsible for installing any initial septic system serving any lots in Vandever Ranch, Phase II. Declarant's responsibility shall include only the extension of sewer lines from Sunriver Utility Company to each lot line within Vandever Ranch, Phase II.

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If Declarant shall not be able to enter into a sewer service agreement with Sunriver Utility Company, Declarant shall install a master septic system serving each lot within Vandever Ranch, Phase II, which shall be subject to the terms and conditions of this section.

3.2 SEPTIC SYSTEM: In the event that Sunriver Utility Company is unable to provide sewer service for any reason, the owners shall be entitled to install a septic system serving the lots in Vandever Ranch, Phase II through the utilization of the septic easement described in paragraph 2.3 above. The septic system for each lot shall be installed at the expense of each owner. The Septic System shall be owned in common by the Owners, with an equal ownership interest in the Septic System being appurtenant to each Lot. Except as otherwise provided in this Declaration, the Owners shall all be responsible to install, operate, maintain, repair and replace the Septic System and each component part thereof. Each Owner shall be entitled to use the Septic System for domestic purposes, but no Owner shall interfere with the rights of other Owners to use the Septic System. Each Owner shall operate, maintain, repair and replace all facilities within such Owner's Lot as solely serve said Lot or the improvements thereon.

3.3 SEPTIC SYSTEM OPERATING EXPENSES: The Owners shall share equally in the normal operating expenses of the Septic System ("Normal Operating Expenses") incurred with third parties, including, without limitation, minor necessary maintenance items, charges for electricity, pump service and required quality and pressure monitoring related to the provision of the Septic System to the Lots on the Property. If not included in the assessment provided in Section 3.3 below, the Owner or Owners billed for Normal Operating Expenses may allocate such among the Owners and bill each Owner its proportionate share of such Normal Operating Expenses which Bill shall be in writing and be accompanied by a copy of the third party bill or paid receipt showing the nature of the expense in reasonable detail. Each Owner shall pay its proportionate share of such Normal Operating Expenses within 30 days after receipt of such Bill. Any Owner receiving such payments shall apply them to the expense to which the Bill relates to the extent not already paid in full. Owners submitting Bills shall keep accurate and complete records including original underlying bills and paid receipts and make the same available to the other Owners for review or copying for a period of three years.

3.4 MAINTENANCE OF SEPTIC SYSTEM: Each Lot shall be entitled to one vote for the purposes of this Article 3. Upon written notice from the Owners of any two Lots, the Owners of all Lots shall meet and discuss proposed repairs, maintenance, alteration, replacement or reconstruction of the Septic System and improvements thereon. At such meeting, the Owners shall discuss such proposed action and the costs thereof, taking into account the need for reasonable reserves for such purposes. Such meeting may be in person, by telephone or in writing, or any combination of the above. The Owners may establish an annual assessment to be made against each Lot for such purposes in a writing signed and acknowledged by all Owners and recorded in the records of Deschutes County, Oregon. The Owners shall share equally in the cost of any reconstruction, alterations, ordinary repair, or replacement of the Septic System agreed to by the Owners of a majority of the Lots or required by any government authority with jurisdiction over the Property or Septic System; provided that, if such work is required by such governmental authority

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solely because of the condition, activities or proposed activities on less than all the Lots, the expense thereof shall be borne by the Owners of the Lots where such condition exists or such activities take place or are proposed to take place; and further provided that in the event Association elects to connect the Association Property to the Septic System as provided in this agreement, the Owners of the Lots shall share equally in the portion of the Normal Operating Expenses and other general assessments and charges not allocable to and payable by Association, determined as provided in this agreement. No assessment may be levied without the vote or written consent of the Owners of a majority of the Lots except the Normal Operating Expenses which may be assessed as provided in Section 3.2 above. The assessment shall be made equally against each Lot in the Property. In the event a particular Owner or Owners (or their respective guests, invitees, agents or contractors) cause extraordinary damage or wear and tear to the Septic System, the cost of repairs required thereby shall be borne by such Owner or Owners only. In the event Association connects the Association Property to the Septic System as provided in this agreement, charges and assessments shall be determined and allocated as provided in this Section, subject to this agreement. After the end of the calendar year, the Owners shall reconcile the amounts paid or assessed for the prior year with the actual expenses incurred for such year.

3.5 LIEN FOR UNPAID CHARGES: Each Lot shall be subject to a lien for unpaid charges under this Article as provided in this agreement.

3.6 CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS: Declarant, for each Lot within the Property, does hereby covenant, and each Owner of any Lot by acceptance of a conveyance thereof, whether or not so expressed in any such conveyance, shall be deemed to covenant to pay such Owner's share of such costs and or other charges as may be fixed, established and collected from time to time in the manner provided in this Declaration. Such assessments and charges, together with any interest, expenses or attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment or charge is made. Said lien may be foreclosed as a mortgage under Oregon Law. Such assessments, charges and other costs shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment or charge fell due.

SECTION 4. MISCELLANEOUS

4.1 AMENDMENT AND REPEAL: Any provision of this Declaration at any time may be amended or repealed. The provision may be added by any of the methods provided in the Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch.

4.2 DURATION: The covenants and provisions contained herein shall continue to remain in full force and effect in accordance with Article XII of the Declarations, Restrictions, Protective Covenants and Conditions for Vandevent Ranch.

4.3 ATTORNEY FEES: In the event any party shall bring any suit or action to enforce this Declaration, or to collect any money due hereunder or to foreclose a lien, the party not prevailing

4 - DECLARATION OF CC&R'S (rsl:gard039.001)

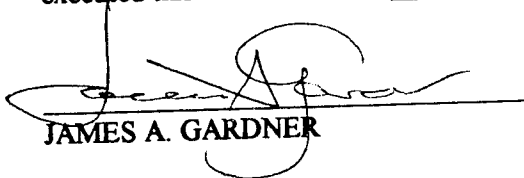
Hurley Bryant Lovlien Lynch Jarvis ■ Re
ATTORNEYS AT LAW

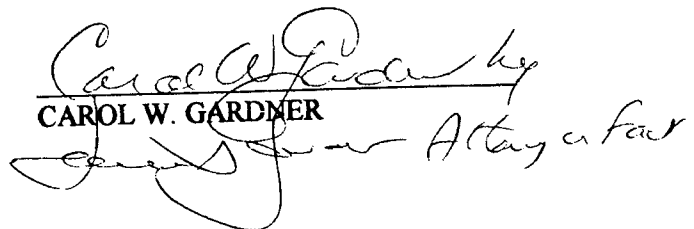
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shall pay to the prevailing party all costs and expenses incurred by it in connection with such suit or action, such amount as the court may determine to be reasonable as attorneys' fees at trial and upon any appeal or petition for review thereof or other proceedings, including any bankruptcy or arbitration proceeding.

4.4 NONEXCLUSIVENESS AND ACCUMULATION OF REMEDIES: An election by a party or parties to pursue any remedy provided for violation of this Declaration shall not prevent concurrent or subsequent exercise of another remedy permitted hereunder; provided no party or parties shall be entitled to terminate any easement or water use right set forth herein. Notwithstanding anything to the contrary in this Declaration, and in addition to all other rights and remedies available hereunder, delivery of water to any Lot or the Association Property with respect to which any amounts owed under this Declaration are past due for more than 90 days may be discontinued until such amounts are brought current upon (i) the majority vote of those persons then entitled to vote under Section 3.3 (including Association if the Association Property has connected to the Septic System; and (ii) at least 30 days' prior notice of such pending discontinuance is given to the Owner of the Property affected. In such event, the other parties shall have an easement on and over the Property affected to install a shut-off valve, cap or other device to cut off the flow of the Septic System to such Property. The remedies provided in this Declaration are not exclusive but shall be in addition to all other remedies, including actions for damages and suits for injunctions and specific performance, available under applicable law; provided no party or parties shall be entitled to terminate any easement or water use right set forth herein. In addition, but subject to the limitations set forth in this Declaration, any aggrieved party may bring an action against another party or parties to recover damages or to enjoin, abate or remedy any violation of this Declaration by appropriate legal proceedings.

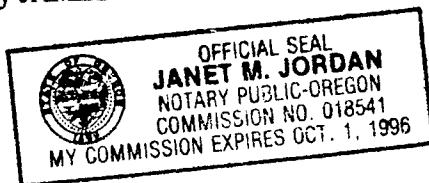
IN WITNESS WHEREOF, JAMES A. GARDNER and CAROL W. GARDNER have executed this Declaration this 28th day of July, 1995.

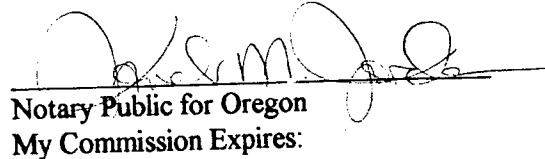

JAMES A. GARDNER


CAROL W. GARDNER
Attorney at Law

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 28th day of July, 1995, by JAMES A. GARDNER.




Notary Public for Oregon
My Commission Expires:

5 - DECLARATION OF CC&R'S (rsl:gard039.001)

Hurley Bryant Lovlien Lynch Jarvis ☒ Re

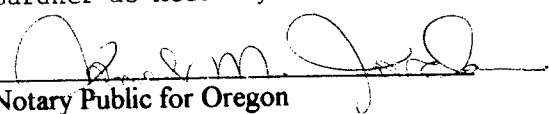
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380 - 1203

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 28th day of July,
1995, by CAROL W. GARDNER, By James A. Gardner as Attorney-in-fact.



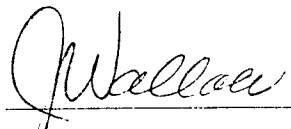

Notary Public for Oregon
My Commission Expires:

STATE OF OREGON)
COUNTY OF DESCHUTES) ss.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

95 JUL 31 PM 3:42

MARY SUE PENHOLLOW
COUNTY CLERK

BY:  DEPUTY
NO. 95-26809 FEE 30⁰⁰
DESCHUTES COUNTY OFFICIAL RECORDS

6 - DECLARATION OF CC&R'S (rs1:gard039.001)

Hurley Bryant Lovlien Lynch Jarvis  Re
ATTORNEYS AT LAW

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