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RESTATED
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR

WEST POWELL BUTTE ESTATES

COVENANTS, CONDITIONS AND RESTRICTIONS OF WEST POWELL BUTTE
ESTATES, A SUBDIVISION IN THE COUNTY OF CROOK, STATE OF OREGON.

These Restated Covenants, Conditions and Restrictions, hereinafter referred to as "CC&R's" are made by the owners of the lots comprising the WEST POWELL BUTTE ESTATES SUBDIVISION in Crook County, Oregon, to be effective upon recording in the office of the Crook County Clerk, Prineville, Oregon. Owners adopt these CC&R's in order to ensure development, promote architectural compatibility, and to provide for minimum standards for the use and maintenance of lots and residences. These CC&R's shall run with the land and shall burden each lot in the subdivision under the following terms and conditions:

ARTICLE I
DEFINITIONS

Whenever used in this Declaration, the following terms shall have the following meanings:

1.1 "Association" shall mean the WEST POWELL BUTTE ESTATES PROPERTY OWNERS ASSOCIATION, its successors and assigns.

1.2 "Said Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may be hereafter brought within the jurisdiction of the Association by recorded declarations in the manner hereinafter set forth.

1.3 "Common Area" shall mean all of the land and appurtenances thereto now or hereafter owned by the Association including roadways and intended to be devoted for the common use and enjoyment of the members of the Association.

1.4 "Plan Review Committee" shall mean a committee appointed by the Association in accordance with the Bylaws of the Association.

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for West Powell Butte Estates

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MF165315 (14 pgs)

1.5 "Lot" shall mean any numbered plot of land shown upon any recorded subdivision plot of said property.

1.6 "Member" shall mean every person or entity who holds membership in the Association.

1.7 "Owner" shall mean every person or entity who holds membership in the Association.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS

2.1 **Membership.** Every person or entity who is the record Owner of a fee interest, or contract vendee, in any Lot that is subject to this Declaration shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from such ownership. The foregoing is not intended to include persons who hold an interest merely as a security for the performance of an obligations, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one (1) membership per Lot owned, but in no event more than one (1) vote for each Lot.

ARTICLE III ASSOCIATION'S AND OWNER'S

3.1 **Formation of Association.** Declarants herein shall organize an association of all of the Owners within the Property. Such Association, its successors and assigns, shall be organized under the name "West Powell Butte Estates Property Owners Association" and shall have such property, powers and obligations as are set forth in this Declaration for the benefit of the Property and all Owners of the property located herein.

3.2 **Association's Powers and Duties.** The Association shall have the duties and powers provided in the Articles of Incorporation and the Bylaws of the Association as may be amended from time to time and may enforce the building and use restrictions and the CC&R's contained herein.

3.3 **Owner's Responsibility.** All maintenance of the Lot, all part of the residence thereon, shall be the responsibility of the Owner, and each Owner shall maintain and keep in good repair such property and improvements and comply with the provisions of the CC&R's.

3.4 **Interim Board: Turnover Meeting.** Declarants herein shall have the right to appoint an interim board of five directors, who shall serve as the Board of Directors of the Association until their successors have been elected by the Owners at the turnover meeting described in this section. The interim board of directors shall call a meeting of the Association for the purpose of turning over administration responsibility for the Property to the Association not later than 120 days after seventy-five percent (75%) of the lots in the subdivision have been sold. At the turnover meeting, the interim directors shall resign and their successors shall be elected by the Owners as

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provided in the Bylaws of the Association. If the interim board of directors fails to call the turnover meeting as required by this section, ten percent (10%) of the Owners of Lots may call the meeting by giving notice as provided in the Bylaws.

ARTICLE IV ARCHITECTURAL & PLAN REVIEW CONTROLS

4.1 Before any structure may be constructed within the Subdivision, the Owner of the proposed construction site shall comply with these CC&R's. Failure to do so shall be deemed a violation of the CC&R's.

4.2 Architectural control over any improvements and locations of buildings within the Subdivision shall be exercised exclusively by the Plan Review Committee. Improvements include all structures, landscaping, fences and screening.

4.3 No house, garage, fence, wall or other structure or building upon any Lot, or in any area or part of WEST POWELL BUTTE ESTATES shall be erected or constructed unless and until two (2) complete sets of plans, specifications and plot plan thereof have been submitted to, reviewed and approved in writing by the Plan Review Committee. Said plans and specifications shall include, but not necessarily be limited to, the exterior color scheme, exterior materials, building or structure to be erected or constructed and be in sufficient detail so as to permit a reasonable determination of the nature, style and finish of the completed structure, together with the location of the building on the Lot.

4.4 Within fifteen (15) days after the plans are submitted, the plans shall be reviewed by the Plan Review Committee and the Committee shall return to owner one set of the plans stamped approved and dated by the Plan Review Committee. If any aspect of the proposed plan does not meet the criteria for development for the WEST POWELL BUTTE ESTATES SUBDIVISION, the Plan Review Committee shall advise the lot owner in writing of the Plan Review Committee's decision and the lot owner shall revise and resubmit them until they are approved. No structure shall be started without approval of the Plan Review Committee.

4.5 After approval of the plans, the lot owner may begin construction in accordance with the plans. Construction not in conformity with the approved plans shall be deemed a violation of these CC&R's. Construction of the building shall be completed within one (1) year.

4.6 No construction, alterations or painting to or activity related to such construction or other work for or to any house, building or structure on or to be erected or constructed on any lot, or any area in or part of WEST POWELL BUTTE ESTATES, shall be undertaken unless and until the Plan Review Committee has specifically approved such work and authorized its commencement. The owners, its contractor, subcontractors, agents, employees, guests and invitees shall comply with any and all governmental regulations, codes and ordinances concerning such work and hereby

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indemnifies and holds the Plan Review Committee harmless from any claim, loss or liability, including any attorneys' fees, arising from or relating to such work.

(a) Any agent, officer, employee or designee of the Plan Review Committee may, after reasonable notice and during normal business hours or at any other reasonable time, enter into and inspect any and all construction activity or maintenance work to determine compliance with this Article and this Declaration. Persons conducting such inspection shall not be deemed to be guilty of trespass in the course of performing such duties or other activities related thereto.

(b) If, after inspection, Homeowners Association believes any construction is not in agreement with the approved plans, it may halt construction, without court order, and may require, without court order, that corrective action be taken before construction can continue. The Homeowners Association shall not be liable for any damages, delays or inconveniences caused by its inspection, whether or not the inspection results in the discovery and correction of any unapproved work.

(c) The Homeowners Association or Plan Review Committee may cause any construction or maintenance work or activity not specifically authorized by this Article or not being performed in strict compliance with the terms or conditions of prior authorization or approval to be terminated immediately or changes or correction made as to make such construction or maintenance work comply with the terms or conditions or such prior authorization or approval. All owners, their contractors, subcontractors, agents and employees do hereby acknowledge the right of the Plan Review Committee to terminate such construction or maintenance work, require changes or modifications thereto and be bound by any such requirements to terminate or change and modify.

4.7 The following standards shall apply to and be enforced for any building or structure erected or maintained in WEST POWELL BUTTE ESTATES:

(a) Height: No structure shall exceed thirty-five (35) feet in height and no flag pole or other poles shall exceed fifty (50) feet in height.

(b) Exterior Siding Materials: The exterior surfaces, except roofs, windows and doors, of all houses shall be wood, brick, rock, stucco, lap siding, or composite material that appears to be made from natural materials. (Exterior areas that are not visible to roads may be other materials, i.e. T1-11, etc.)

(c) Roof Materials: The exterior surfaces of the roofs of all residences or houses shall be a material to be approved by the Plan Review Committee and the roof

shall be a minimum of 6/12 pitch. Roofs of outbuildings not attached to the residence or house may be less than a 6/12 pitch, but not less than a 3/12 pitch.

(d) Garages: Each home will have a minimum two (2) car garage.

(e) Minimum Area of Houses: The ground floor area of any one-story house, excluding open porches, decks and garage, shall not be less than 1,800 square feet. The ground floor area of any two-story house, excluding open porches, decks and garages shall not be less than 1,000 square feet and the total floor area shall not be less than 2,000 square feet.

(f) Fire Sprinkler Systems: Sprinkler systems shall be required in all residential occupied houses and shall be in compliance with the NFPA 13R or amendment thereof.

(g) Fences and Walls: No fence, wall or driveway entrance shall be erected, placed or permitted to remain on any lot in said development without the prior written approval of the Plan Review Committee and must comply with local ordinances. This plan may be submitted after building and site plans, and prior to erection of fence, wall or driveway entrance.

(h) Exterior Colors: All exterior colors shall be neutral or subdued in muted earth tones and require Plan Review Committee approval.

(i) Design and Style of Houses, Buildings and Structures: Houses, buildings and structures and improvements or alterations thereto shall be constructed and maintained utilizing high quality materials and workmanship and be of such character, style and design as to be in harmony with surrounding houses and structures and the general area. All houses, buildings or structures erected, constructed or maintained in WEST POWELL BUTTE ESTATES shall comply in all respects with the provisions of this Declaration and all building codes, ordinances and regulations including, but not necessarily limited to, the Uniform Building Code and the applicable codes and ordinances of Crook County and the State of Oregon. Buildings housing animals, barns or storage buildings may not be located closer than one hundred fifty (150) feet from the property line, unless it is attached to a dwelling.

4.8 The Plan Review Committee shall have control over the development concept, which may vary from lot to lot within the Subdivision.

4.9 The owners of each lot shall be responsible for any and all damage to streets and utilities adjoining their lots during construction. No structure shall be occupied until all damage is

repaired. Builders and owners shall keep streets clean and free from mud and debris at all times. Failure to do so will allow the Homeowners Association to halt construction.

**ARTICLE V.
USE AND MAINTENANCE OF PROPERTY**

5.1 All lots in the Subdivision shall be for single family residential use only. Any permanent multi-family, communal or group use is prohibited. No business venture or commercial activity shall be conducted in or about any property in the Subdivision, except for single proprietor home offices or businesses with a maximum of one (1) employee, which do not cause visits to the subdivision by customers or members of the public.

5.2 Each lot owner in the Subdivision shall be responsible for the exterior maintenance, repair and landscaping of their property. Maintenance is to be done in accordance with usual community standards for single family residential subdivisions in the area. No owner shall permit the growth of noxious or annoying weeds on their property.

5.3 No boat, motorcycle, motor home, mobile home, camper, trailer, commercial vehicles or recreational vehicle shall be kept in open, public view in the Subdivision. Such vehicles must be stored in a garage or carport in the side or back yard, not extending in front of the house, and screened from the public and the neighbor's view. No commercial vehicle over 24,000# GVW may be stored or parked on any parcel for more than thirty (30) days in any twelve (12) month period.

5.4 Horses, cows and other livestock may be kept on the premises in numbers consistent with the requirement of good husbandry and which do not create a nuisance or annoyance to neighbors or a health hazard. Dogs, cats and other household pets shall be kept in compliance with local controls and if they are not kept for any commercial or breeding purposes.

5.5 All refuse shall be kept in sanitary containers and screened from public view and shall not be dumped in the Subdivision. Compost heaps shall be located one hundred (100) feet or more from the nearest property line.

5.6 No trailer, van, bus, camper, truck, tent, garage, barn shack or storage structure located in the Subdivision shall be used as a residence.

5.7 No sign of any kind shall be posed on any lot except for one sign advertising the property for sale or rent.

5.8 Any solar collection equipment must be approved by the Plan Review Committee and be screened from public view.

5.9 No lot shall have bright or glaring lighting that interferes with any neighbor's use of their property.

5.10 All outbuildings and storage sheds must have design approval and be constructed of exterior materials that are harmonious with the main dwelling and be located as provided in Section 4.7(L).

5.11 No motorized vehicles, ATV's or motorcycles shall be permitted on the six (6) foot walking path.

5.12 No obnoxious, noxious or offensive activities shall be carried out or allowed on any portion of a lot.

5.13 There shall be no alterations or signs attached to the 3-board subdivision boundary fence which runs along the northern boundary of Lots 1, 2, 20, 21, 38, 39, 56, and Parcel 2 in the development.

(a) Owners of Lots 1, 2, 20, 21, 38, 39, 56 and Parcel 2 shall not allow livestock on their parcels without installing along the northern boundary a properly installed insulated electric fence attached to the inside of the 3-board subdivision boundary fence to keep livestock away from the 3-board subdivision boundary fence.

(b) Any damage to the 3-board subdivision boundary fence caused by the property owner or livestock on the property owner's lot shall be the responsibility of the property owner and shall be repaired at the property owner's expense within thirty (30) days of written notice from the Property Owner's Association.

(c) In the event the property owner delays, refuses, or neglects to make such repairs within the time specified, thereafter the Property Owner's Association may proceed with the repairs and the cost of repairs billed to the property owner and if not paid, the Property Owner's Association may collect said cost in the same manner as the property owner's annual dues and assessments.

ARTICLE VI. ASSESSMENTS

6.1 **Purpose of Assessment.** The assessments provided for herein shall be used for the general purpose of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

6.2 Creation of Assessments. Each Owner of any Lot, by acceptance of this Declaration or a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association; (a) annual assessments or charges and (b) special assessments, such assessments to be established and collected as hereinafter provided. All such assessments, together with late charges, interest, not to exceed the maximum legal rate, costs and reasonable attorney's fees actually incurred, shall be charged on the land and shall be a continuing lien upon the Lot against which each assessment is made.

6.3 Computation of Assessment. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year, which shall include a capital improvements or reserve for a maintenance and improvements account. The Board shall cause the budget and the assessments to be levied against each Lot for the following year to be delivered to each Member at least thirty (30) days prior to the end of the current fiscal year. The budget and the assessment shall become effective unless disapproved at a meeting by a majority of the Owners. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Upon determination of the amount of assessment per lot, each improved lot shall pay 100% of its assessment, each unimproved lot shall pay 33-1/3% of the assessment for improved lots. A lot shall be deemed improved if it contains any buildings on it such as a storage shed, barn, shop, garage or other building.

6.4 Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments in any year. So long as the total amount of special assessments allocable to each Lot does not exceed \$1,000 in any one fiscal year, the Board may impose the special assessment and each lot shall pay 100% of the special assessment. Any special assessment which would cause the amount of special assessments allocable to any Lot to exceed this limitation shall be effective only if approved by a majority of the Members. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

6.5 Lien for Assessments. All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest, costs and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on a first mortgage or on any mortgage to Declarant duly recorded in the land records of Crook County, Oregon, and all amounts advanced pursuant to such mortgage and secured thereby in accordance with the terms of such instrument.

All other persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

6.6 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than thirty (30) days shall incur a late charge in an amount as the Board may from time to time determine. The Association shall cause a notice of delinquency to be given to any Member who has not paid within thirty (30) days following the due date. If the assessment is not paid within ninety (90) days, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest, not to exceed the maximum legal rate, on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the Lot. No Owner may waive or otherwise except liability for the assessments provided for herein, including, by way of limitation, but not limitation, abandonment of the Lot.

All payments shall be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent assessments, then to any unpaid installments of the annual assessment or special assessments which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

6.7 Reserve Account and Contribution. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect to both amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessments, as provided in Section 5.3 of this Article. A copy of the reserve account budget shall be distributed to each Member in the same manner as the operating budget.

6.8 Subordination of the Lien to First Deeds of Trust and First Mortgages. The lien of the assessments, including interest, late charges, costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the mortgagee of a first mortgage of record or other purchaser of a Lot obtains title, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all the Lots, including such acquirer, his or her successors and assigns.

6.9 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Units then existing and subject to assessment under the Declaration on the first day of the month following the conveyance of the first Lot by the Declarant and shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual assessment shall be adjusted according to the number of months then remaining in that fiscal year. The date any Lot becomes subject to assessment hereunder shall be the date on which the later of the following occurs:

(a) The Lot becomes subject to the Declaration; or

(b) The appropriate official of Crook County, Oregon issues a certificate of occupancy or its equivalent stating that the construction on the Lot is substantially complete and available for occupancy.

ARTICLE VII GENERAL PROVISIONS OF THE CC&R'S

7.1 No part of any lot shall be subdivided or partitioned into parcels of less than ten (10) acres and no part of any lot shall be transferred or conveyed in any manner in parcels of less than ten (10) acres.

7.2 A time limit is hereby imposed on length of time required for construction of a residential structure. A period of time not to exceed one (1) year is allowed from start to completion of a structure. A travel trailer, mobile home, basement, barn or other outbuilding subject to Crook County approval may be temporarily occupied on the premises during construction of a primary residence for a period not to exceed one (1) year from the date construction commences.

7.3 No hunting or target shooting on any parcel.

7.4 No fireworks shall be ignited or used on any parcel in the subdivision.

7.5 No mobile homes of any type shall be allowed on the lots, except as set forth in 7.2.

7.6 Sewage disposal systems, septic tanks and domestic water wells shall be in accordance to specifications set out by local governing agencies, Department of Environmental Quality and the Crook County Sanitation and Watermaster. Septic systems to be located where specified by Crook County Sanitation. Water source to be set back from septic system and cased to a depth specified by same.

7.7 These CC&R's shall run with and burden each of the Subdivision lots to the benefit of any party who holds any right, title or interest in any lot.

7.8 (a) Unless extended, revised or repealed, these CC&R's shall expire after twenty (20) years.

(b) These CC&R's may be extended by recording, within sixty (60) days of the expiration date, a written instrument, signed by 60% or more of the Subdivision lot owners, which states their intention to extend the CC&R's life. Any extension must be for a minimum of two (2) years and a maximum of ten (10) years. The same procedure shall apply for successive extensions.

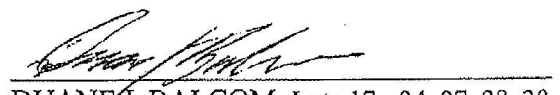
7.9 It is the responsibility of the lot owners to comply with additional restrictions as may be found on the recorded plat or subsequent plats of WEST POWELL BUTTE ESTATES.

7.10 These Restated Covenants, Conditions and Restrictions for WEST POWELL BUTTE ESTATES shall replace any previously recorded Covenants, Conditions and Restrictions which shall be of no further force and effect upon the recording of these Restated Covenants, Conditions and Restrictions.

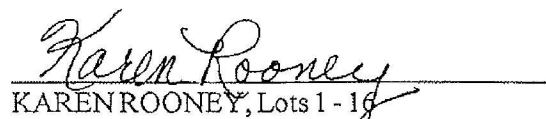
WEST POWELL BUTTE ESTATES OWNERS:


MICHAEL J. ROONEY, Lots 1 - 16

DATED 9-11-01


DUANE J. BALCOM, Lots 17 - 24, 27, 28, 30-34 & Parcel 1

DATED 9-11-2001


KAREN ROONEY, Lots 1 - 16

DATED 9-11-01


SONDA L. BALCOM, Lots 17 - 24, 27, 28, 30-34 & Parcel 1

DATED 9-11-01

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