DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, "COZINE ACRES"
CITY OF McMINTNHILL, YAMHILL COUNTY,
STATE OF OREGON

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THIS DECLARATION, made this 6th day of August, 1999, by CLM Development, L.L.C., a registered Oregon Corporation, hereinafter referred to as DECLARANT; WHEREAS, Declarant is the owner of certain real property in the City of McMinnville, County of Yamhill, State of Oregon, which is more particularly described as follows:

"COZINE ACRES", a duly recorded subdivision within Yamhill County, State of Oregon.

AND WHEREAS, Declarant will convey said property subject to certain protective covenants, conditions, reservations, easements, liens and charges for the benefit of said real property and its present and subsequent owners as hereinafter set forth, NOW, THEREFORE, Declarant hereby declares that all of the said property, with the exception of the public rights-of-way, open space and other remaining unplatted land of said Plat, is and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said real property. These easements, covenants, restrictions, reservations and conditions shall constitute covenants to run with the land and shall be binding on all persons claiming under them and having or acquiring all right, title or interest in the described property or any part thereof, and shall inure to the benefit of and be limitations upon each owner thereof, and his heirs and assigns if an individual, or its successors and assigns, if a partnership or corporation.

ARTICLE I
DEFINITIONS

"Declarant" shall mean and refer to CLM Development, L.L.C., and its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from Declarant for the purposes of development.

"Declaration" shall mean and refer to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs") applicable to the properties as executed by the Declarant on the 6th day of August, 1999.

"Lot" shall mean and refer to any plot of land shown upon the recorded subdivision plat of COZINE ACRES with the exception of the public rights-of-way and open space specified above.

"Off-Street Parking Spaces" shall mean paved areas accessible from a public street and paved to such street, including spaces enclosed by a garage, each having a size of at least 9 feet by 18 feet, but excluding the
shared private access easement areas.

"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 part of the property, including contract buyers, but excluding those having such interest merely as security for performance of an obligation.

"Residence" shall mean that portion or part of any structure intended to be occupied by one family as a dwelling, together with attached or detached garage, and the patios, porches, or steps annexed thereto.

ARTICLE II
RESTRICTIONS

The following restrictions shall apply to the occupancy and use of said real property and shall be for the benefit of, and limitation upon, all present and future owners and authorized users of all said property:

1. Land Use and Building Type:

   A. No lot shall be used except for single-family residential purposes.

   B. Mobile homes are not permitted to be placed as a residence on any lot, either temporarily or permanently.

   C. No structures of a temporary, or permanent, character, such as a trailer, recreational vehicle, basement, tent, shack, garage, barn or other outbuildings shall be used on any lot at any time as an addition or only residence.

   D. Exterior buildings such as a private greenhouse, storage unit, private swimming pool of similar detached structures are permitted if the location, size, design, and decoration of such structure is in conformance with the residence as determined by the Architectural Control Committee, as designated by Declarant. No such exterior structures shall be constructed or placed on any lot prior to construction of the residence nor prior to the approval of the Architectural Control Committee.

   E. City of McMinnville ordinances and building codes, where more restrictive than these CC&R's, shall apply. Potential purchasers are particularly directed to consult the City with respect to driveway and sidewalk placement and building setbacks.

2. Dwelling Size:

   The dwelling, exclusive of uncovered porches, garage and outbuildings, shall not be less than 1,200 square feet in floor area for one story homes and not less than 1,400 square feet for homes more than one story.

3. Easements and Setbacks:

   A. All easements are shown on the Final Plat for COZINE ACRES.

   B. Building setback requirements for the proposed single-family lots, unless otherwise varied by the Planning Director to preserve an existing tree, are as follows:

      Front - 15 feet from property line to a living area or 20' to the garage;
      Interior Side - 7 1/3 feet from the interior property line;
Exterior Side - 20 feet for Lot 1 adjoining Old Sheridan Road;
Rear - 20 feet from property line &
Flood Plain - No building in the flood plain and Finished Floor elevation set above 125 feet.

C. The setback for the garage door from the front right-of-way line, or from the private access
easement if a private access easement is used for vehicular access to a lot, shall be 20 feet
regardless of building setback shown.

D. The public sanitary sewer easement(s) and public storm drainage easements which are
designated on the plat for COZINE ACRES are for the benefit of the City of McMinnville. No
permanent decks, porches, or other buildings shall be constructed within these easements.
Paved driveways may be constructed within these easements.

E. A Public Pedestrian Access easement is preserved in the flood plain area within the
subdivision for the benefit of the City of McMinnville.

4. Exterior Materials:

A. Roofing material must be cedar shingles, cedar shake, tile, simulated shingle, tile or slate,
or 25 year asphalt composition dimensional roof shingles.

B. Exterior siding shall be composite lap siding, vinyl, stucco or "Drivet", cedar shingles, brick,
or stone, T-111 plywood or other pressed wood sheet siding is not permitted on the front of
the unit or slide if visible from the street.

C. Windows shall be wood or vinyl clad in white or color coordinated with the house, but may
not be mill finish aluminum. The Uniform Building Code, if more restrictive, shall apply.

D. Homes with exteriors of stucco, or stucco substitutes such as "Drivet", must have sufficient
and appropriate corner and detail "blocking".

E. Front door entry railing shall be of wood, brick or wrought iron construction. Tubular metal
railing shall not be permitted.

5. Exterior Finish and Color:

The exterior finish of all construction on any lot shall be designed, built and maintained in such a manner as
to be compatible with the character and existing structures within this subdivision. Exterior colors must be light
natural earth tone colors. No excessively bright colors shall be permitted.

6. Business and Commercial Uses:

A. No trade, craft, business, or similar activity of any kind shall be conducted on any lot, nor
shall any goods, equipment, vehicles, materials or supplies used in connection with any
trade, service or business be kept or stored on lot. This does not preclude home based
business operations that do not require material transactions or trade.

B. The provisions of these CC&R's do not prohibit the right of any home builder to construct a
residence on any lot, to store construction materials and equipment on said lots in the normal
course of construction.

C. The provisions of these CC&R's do not prohibit the right of any home builder to use any single family residence as a model home for purpose of sales in this subdivision for the period of one year following the initial purchase of the lot from the Declaratant.

7. Parking

A. All residences shall include a private, fully enclosed garage with two parking spaces and an area of at least 390 square feet.

B. A total of four off-street parking spaces shall be provided for each lot as follows: (1) at least two spaces shall be provided within an enclosed garage area, and (2) at least two spaces shall be provided on a paved driveway area outside of the public street right-of-way and outside a private access easement, if applicable.

C. Parking of any boats, trailers, motor homes, recreational cars, motorcycles, trucks, truck-campers and like equipment shall be parked in the side or rear yard behind a six (6) foot high fence or within the confines of an enclosed garage, and out of direct view from the street. No owner shall permit any vehicle of any kind, including automobiles, boats, trailers, motor homes, motorcycles, trucks, campers, etc., to be abandoned or to remain parked on the street or driveway for a period in excess of 96 hours. Boats, trailers, motor homes, motorcycles, and campers shall not be allowed to be parked in any driveway for a period greater than 96 hours. Trucks larger than one ton shall not be parked in COZINE ACRES, except for the purpose of delivery, loading, or unloading.

8. Fences

Any fences constructed along any back lot line or side lot line shall not be more than six feet in height as measured from ground level and shall be constructed of cedar or non-punctured, treated wood of a natural wood color finish excepting the 6' masonry fence adjoining Highway 18, and lot lines adjoining open space areas. Any fences within 23 feet of the front lot line shall not be more than 3'-6" in height and shall not obstruct sight distance from any street or driveway. Fences constructed adjoining open space shall be see-through, or a maximum of 3'-6", so as not to obscure the visibility of the open space for the adjoining lots. Examples of see-through fences are: wrought iron, two or three rail, or as otherwise approved. In addition, all fences must comply with City of McMinnville standards.

9. Miscellaneous Outdoor Equipment:

1. No exterior antenna, except satellite dishes less than 1.5 feet in diameter mounted in the backyard, shall be permitted. Air conditioners, heat pumps, and other service equipment are permitted outdoors, but may only be located to the rear or side of a residence and shall be screened so as not to be viewed from any street.

2. All exterior equipment such as, but not limited to, air conditioning or heating systems, or swimming pool pumps, shall be sheltered, insulated or otherwise noise baffled as necessary to conform to City noise standards.

3. No outdoor overhead electric or telecommunications wire, service drop, pole, tower, or other structure supporting said overhead wire shall be erected, placed or maintained. All connections to TV cable, telephone, and electric service shall be underground.
10. Animals:

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that a reasonable number, not to exceed three (3) (combined total number) of dogs, cats or other household pets may be kept provided that they are reasonably controlled so as not to be a nuisance. The owners of said domestic animals shall maintain their yards so as to be clean and free from defecation, and shall not be allowed to let their animals defecate on neighboring lots, common spaces, open spaces or public lands. Wild animals which might be a threat to neighboring children or domestic pets are not permitted.

11. Signs:

No signs shall be placed on any lot except that not more than two signs, each up to six square feet in size, may be temporary displayed on any lot by the owner, Declarant or by a licensed real estate agent for real estate sales purposes. (This restriction shall not prohibit the temporary placement of “political” signs on any lot.)

12. Rubbish and Trash:

No lot, open space, street or other tract of land shall be used to dump trash, rubbish, yard debris, or dirt resulting from landscaping work. All garbage and other waste shall be kept in appropriate sanitary containers for proper disposal. Such containers shall be kept out of public view except on scheduled trash collection days.

13. Completion of Building Construction:

1. The construction of any building on any lot, including private lot drainage, construction of sidewalks and driveway entrance, exterior painting, and all other exterior finish, shall be completed within eight months from the beginning of construction. In the event of undue hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from the Architectural Control Committee. All construction sites shall be maintained so as not to create a physical or fire hazard or a nuisance. Sites abandoned for more than one week shall be cleaned and free from debris.

2. Home construction for any lot purchased from the Declarant must be started within one year from date of purchase of the lot. The lot shall be maintained so as not to become a fire hazard due to weed growth or material storage.

14. Site Alteration:

There shall be no grading, excavation or filling on any lot of more than 25 cubic yards of material, except to backfill around a house foundation and for the surface application of landscape materials, without the approval of the City of Mckinney.

15. Retaining Walls:

Any retaining walls which do not meet all of the following requirements must be submitted to the City of Mckinney for approval prior to construction:

A. The retaining wall may not be more than two feet in height as measured from the top of the footing to the top of the wall.
B. All portions of the retaining wall, including footings, must be located on the property of the owner constructing the wall. No retaining wall may be placed within six feet of the front property line, or, if the side property line is adjacent to a street right-of-way, within six feet of the side property line, unless otherwise approved by the City of McMinnville.

C. An uphill property owner may not place a retaining wall within five feet of a property line if the adjoining property lies downhill from the contemplated retaining wall.

D. All retaining walls shall be constructed according to sound engineering principles, including, but not limited to, adequate foundations, drainage weepholes, back-of-wall drainage, and sufficient structural sections to prevent bowing, slumping, displacement, or similar distortions.

E. All retaining walls shall be of one of the following materials: (1) rot resistant wood construction of a natural color and texture, (2) brick or brick-faced masonry construction, (3) mortared stone, or (4) sculpted concrete masonry units. The wall shall be capped one of the above materials. No flat concrete block or plastered concrete walls are permitted.

F. Where fences are placed on top of retaining walls, the height of the fence is measured from the top of the footing of the retaining wall, i.e., the combined height of the wall and the fence are considered as fence height. For fence and retaining wall heights to be considered separately, the fence must be set back at least three feet from the retaining wall and the area between the fence and wall landscaped.

G. Retaining walls in excess of 4' may be constructed along the western edge of the sanitary sewer easement to reduce slope in the yard so long as the remaining subsections 15 B-F are adherent to and it does not adversely obscure the visibility of the wetlands for the adjoining lots. Segmental retaining walls may be constructed across the sanitary sewer easement given the approval of the City of McMinnville, with the understanding that segmental walls may be removed when and if repairs of the sanitary sewer are necessary. No more than 6 feet of fill may be added over the sanitary sewer.

16. Completion of Landscaping:

A. Front and corner yard areas must be landscaped within twelve weeks after substantial completion of home construction, except if such completion occurs during the months of November through March in which case the landscaping shall be completed by June 15th of that year. "Landscaped" means 100% coverage of the following combination of landscape materials: (1) grass seeding, hydro seeding, or grass turf, trees, (2) other planted trees and shrubs, and (3) ground cover such as mat vegetation, bark dust, or river rock. At least two trees and eight shrubs must be planted in the front yard. Trees may not be placed within ten feet of any building or lot line. Tree types are on file with the City of McMinnville planning departments.

B. In addition to the provisions of section 16.A., rear and side yard areas must be landscaped by the owner of any lot within six months of initial occupancy of the dwelling on that lot, unless the time provision of Section 16. A. govern.

17. Trees:

A. Trees shall be planted within curbside planting strips along all public streets within the
subdivision a minimum of two-inch caliper for the selected species and spacing as appropriate for the species and as required by the City Planning Director.

B. The trees shall be maintained and replaced if necessary with comparable approved species, minimum size and placement.

C. Existing trees greater than 9 inches D.B.H. (diameter at breast height) shall not be removed without prior review and written approval of the City Planning Director.

18. Lots Adjoining the Wetlands:

The wetlands are to be maintained by the contiguous homeowner. This maintenance should be performed in keeping with the requirements of the City of McMinnville, State of Oregon Division of State Lands, and the U.S. Army Corps of Engineers. The plantings located in the sanitary sewer easement were placed there to mitigate impacts from the development of the subdivision and shall be maintained by the developer for three years and thence by the lot owner. Noxious weeds such as Himalayan and Evergreen Blackberries, Clematis, Reed Canary Grass, Canadian and Bull Thistle, should periodically be removed within the wetlands. Plantings are identified in the wetland fill permit and may be planted by appropriate caretakers.

ARTICLE III
GENERAL PROVISIONS

1. Enforcement and Authority:

The Declarant, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereinafter imposed by the provisions of this Declaration. Failure by any owner to enforce any covenant or restriction herein contained shall in no event, be deemed a waiver of the right to do so thereafter. In any action successfully prosecuted to abate or recover damages for a violation of the provisions of this Declaration, the prevailing party shall be entitled to recover all costs including reasonable attorney fees incurred in such enforcement. Amendments to this provision are subject to the requirements of Article III.3 of this Declaration.

2. Severability:

Invalidation of any one of these covenants and restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

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 owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of five (5) years from the date of this Declaration's recording in the Deed Records of Yamhill County, after which time said covenants, unless revoked, shall, together with any amendment thereof, be automatically extended for successive periods of five (5) years.

The covenants and restrictions of Article II may be amended or revoked by an instrument signed by not less than seventy-five percent (75%) of the lot owners. The signatures must be gathered within a 90 day maximum period in order to become effective. Any instruments affecting a revocation or any amendment of this Declaration must be properly recorded in the Deed Records of Yamhill County, Oregon.

4. Conflicts with City Codes and Regulations:
These private conditions and regulations constitute a private agreement among the owners of lots within COZINE ACRES. It is the duty of every person engaged in development within COZINE ACRES to know the requirements of these CC&R's. These CC&R's will not be enforced by the City of McMinnville nor do these CC&R's limit the rights of the City of McMinnville. The City will not be liable for any approvals or permits which are granted in compliance with City regulations, but which are not in compliance with these CC&R's. There may be conflicting requirements between these CC&R's and the City's regulations. In the event of a conflict between a City regulation and these CC&R's, the more restrictive condition applies.

IN WITNESS WHEREOF, the undersigned, being Declarant herein, has hereunto set his hand and seal this 6th day of August, 1999.

CLM Development, L.L.C.

By: Edward K. Christiansen
Title: Manager

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, COZINE ACRES ACKNOWLEDGMENT:

STATE OF OREGON ) SS
County of WASHINGTON )

The foregoing instrument was acknowledged before me this 6th day of August, 1999, by Edward K. Christiansen, Manager of CLM Development, L.L.C., on behalf of the limited liability company.

Notary Public for Oregon My Commission Expires:

Clarrain Mackerine
Lot(s)_________ COZINE ACRES SUBDIVISION
Date___________

Lot Sales
Standard Addendum "A"

1. Buyer has reviewed the recorded Covenants, Conditions, & Restrictions (CC&R's) and agrees to abide by the terms thereof.

2. Buyer acknowledges that no work, including excavation or other improvements on the Property, shall occur prior to the Date of Closing.

3. Buyer acknowledges that Buyer will be solely responsible for utility connection charges and system development charges.

4. Buyer acknowledges that it is necessary for Buyer to install sidewalk and driveway aprons serving the Property at Buyer's sole cost and expense.

5. All earnest money is non-refundable and shall be released to Seller upon execution of this Agreement.

6. Lots may not be transferred to another builder without prior written consent of Seller.

7. The construction of any building on any lot, including private lot drainage, construction of sidewalks and driveway entrance, exterior painting and all other exterior finish, shall be started within one year of purchase of lot and completed within eight months from the beginning of construction.

8. Time is of the essence of this Agreement. Buyer understands that if transaction is not closed by the Date of Closing as defined herein, then Seller may, at Seller's option, immediately declare this transaction terminated and retain all earnest money as provided in Paragraph 9 below.

9. Buyer understands and agrees that by Seller's acceptance of this offer, Seller is removing the Property from the market. If Buyer fails or refuses to close the sale, Seller will have lost the opportunity to sell to others during the time that the property was off the market. Buyer also understands that market conditions are constantly subject to change. Buyer also understands and agrees that Seller continues to incur costs and expenses relating to the Property during the period of time that the Property is taken off the market and thereafter, including interest expenses on underlying encumbrances, if any, real property taxes and maintenance expenses.
Buyer understands and agrees that Seller will suffer harm if Buyer fails or refuses to close and the amount of this harm may be difficult to prove and further agrees that the sum of $_________ deposited as Earnest Money pursuant to this Agreement is both reasonable consideration for Seller taking the Property off the market pending closing of this transaction (in the same nature as option consideration) and is also a reasonable estimate of damages for Buyer's failure or refusal to close and is therefore an appropriate amount for liquidated damages in that event. Buyer therefore agrees that if Buyer should fail or refuse to close, the sum of $_________, deposited as Earnest Money herein shall be retained by Seller as liquidated damages and as consideration for holding the property off the market during the pendency of this Agreement.

10. Final Plat attached as Exhibit "B", shall be a part of this agreement. Further, Buyer acknowledges dimensions and easements shown on final plat.

CLM Development, L.L.C.

BY: _______________________________

_____________________________   _______________________________
Seller                                          Buyer