DECLARATION OF RESTRICTIONS, CONDITIONS AND COVENANTS
APPLICABLE TO GRAYSTONE RIDGE

This Declaration of Restrictions, Conditions and Covenants is applicable to GRAYSTONE RIDGE, located in the City of Dundee, Yamhill County, State of Oregon.

WHEREAS, COYOTE HOMES INC., herein after referred to as Declarant, is the owner of certain real property located in the State of Oregon, know as GRAYSTONE RIDGE

WHEREAS, the Declarant is desirous to declare of public record its intentions to create certain restrictive conditions and covenants to this ownership of said property.

NOW, THEREFORE, the Declarant does hereby certify and declares that the following restrictions, conditions and covenants shall become and are hereby made part of all conveyances of lots within the plat of GRAYSTONE RIDGE, recorded on Apr., 20, 2007 as Recorder's Fee No.2007/18646, of the Plat Records of Yamhill County, Oregon, and that the following restrictions, conditions and covenants shall by reference become a part of any such conveyances and shall apply thereto as fully and with the same effect as if set forth at large therein.

ARTICLE I
Property subject to these Covenants

(1) Initial Development

Declarant hereby declares that all of the real property described above is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved, subject to these covenants shall constitute GRAYSTONE RIDGE.

ARTICLE II
Residential Covenants

(1) Land Use and Building Type

No lot shall be used except for residential purposes as a single-family dwelling. No building shall be erected, altered, placed or permitted to remain on any lot other than one single dwelling not to exceed two and one half (2 1/2) stories in height and a private garage for not less than two (2) cars. The foregoing provisions shall not exclude the construction of a private greenhouse, storage shed, private swimming pool, or a shelter or port for the protection of such swimming pool of for the storage of a boat, and/or camping trailer or mobile home kept for personal use, provided the location of such structure is in conformity with the applicable municipal regulations, and is compatible in design and decoration with the residence constructed on such lot, and placed on such lots and provided herein at subparagraph five (5).

The provisions of this section shall not be deemed to prohibit the right of any homebuilder to construct residences on any lot, to store construction materials and equipment on said lots in the normal course of construction, and to use a single family residence(s) as a sale office, model home, or construction office for the purpose of home sales and house construction in GRAYSTONE RIDGE.

(2) Dwelling Size

Except as hereinafter provided, the area of the main structure, exclusive of one-story open porches and garages, shall not be less than 1700 square feet of living space. All dwellings and or structures built on lots 4, 5, 12, 13, and 14 will be limited to single story on street frontage. This does not prohibit daylight basements.
Declarant reserves the right to permit exceptions to this dwelling size requirement in selected locations. The Declarant may permit size exceptions where architectural design enhancements provide an overall appearance and value in conformation with the balance of the property. Such exceptions shall be made at the sole discretion of the Declarant. In no instance shall exceptions as may hereunder be granted, exceed a total of one-half (1/2) of the total lots.

(3) Nuisances

No obnoxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become and annoyance or nuisance to the neighborhood.

(4) Parking

Parking of boats, trailers, motorcycles, trucks, truck-campers, motor homes, and like equipment shall not be allowed on any part of said property nor on public ways adjacent thereto excepting only within the confines of an enclosed garage, storage port, or behind a screening fence or shrubbery which shall in no event project beyond the front walls of any dwelling or garage.

(5) Vehicles in Disrepair

No owner shall permit any vehicle which is inoperable to remain parked upon any lot or on any open space or on any street for a period in excess of forty-eight (48) hours.

(6) Fences

No fences, either sight nor non-sight obscuring, in excess of three (3) feet in height may be located between the building line and the front yard sidewalk, and in the case of a corner lot, the building line and the sidewalk abutting the side yard. The maximum height of fence located on the remainder of those lots shall be six (6) feet. All fences as may herein be constructed shall be well constructed of suitable natural fencing materials and shall be subject to the approval of the Declarant.

(7) Signs

No signs shall be created on any lot except that not more that one “For Sale” sign placed by owner, the Declarant, or by a licensed real estate agent not exceeding twenty-four (24) inches high and thirty-six (36) inches long, may be temporarily displayed on any lot. This restriction shall not prohibit the temporary placement of the “political” signs on any lot by the Owner, or the placement of professional signs by the Developer or Declarant, which must comply with the City of Dundee sign ordinance. The Declarant may maintain “For Sale” sign(s) for purpose of marketing the subdivision that are excluded from the restrictions above.

(8) Temporary Structures

No structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuilding shall be used on any lot, at any time, as a residence whether temporarily or permanently. Declarant may locate a temporary construction office while subdivision and home are being constructed.

(9) Livestock and Poultry

No animals, Livestock, or poultry of any kind shall be raised, bred, or kept on any lot except that dogs, cats, or other normal household pets may be kept provided that are not kept, bred, or maintained for any commercial purpose. All household pets shall be confined to the lot, shall not be permitted to be a nuisance to other neighbors, and shall be otherwise kept and maintained according to City of Dundee ordinances.

(10) Garbage and Refuse Disposal
No lot or open space shall be used or maintained as a dumping ground for trash or rubbish. Trash, garbage, or other waste shall be kept in sanitary containers and out of public view. All containers or other equipment for the storage of disposal of such materials shall be kept in a clean and sanitary condition.

(11) **Utilities**

All plumbing facilities shall comply with the requirements or the Plumbing Code of the City of Dundee and the County of Yamhill. No outdoor overhead wire or service drop for the distribution of electric energy or for telecommunication purpose, nor any pole, tower, or any other structure supporting said outdoor overhead wires shall be erected, placed, or maintained within said phases. All owners of lots shall use underground service wires to connect their premises and the structures built thereon to the underground electric, telephone, and TV cable facilities provided. (Small satellite dishes are allowed).

(12) **Completion**

Construction of any dwelling shall be completed, including exterior decoration, within six (6) months from date of the start of construction. All lots, at all times, shall be kept in a neat and orderly condition free of brush, vines, weeds, debris, and the grass thereon cut or mowed at sufficient intervals to prevent creation of a nuisance or fire hazard.

All contractors and builders shall keep their job site orderly and in clean condition and shall periodically, during the course of construction, remove all construction waste materials. In the event of hardship due to weather conditions, this provision may be extended for a reasonable length of time upon written approval from Declarant.

(13) **Business and Commercial Uses**

Except as herein provided, no trade, craft, business, profession, commercial, 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 any lot, excepting the right of any homebuilder and the Declarant, or Declarant's affiliates, to construct residence on any lot, to store construction equipment and materials on said lots in the normal course of said construction or model home for the purpose of sales in said phases.

(14) **Landscape Completion**

All front yard landscaping must be completed within six (6) months from the date of the first occupancy of the residence constructed. Street trees, as required by the local government agency shall be planted by buyer prior to home completion. Types of trees and exact locations are to be coordinated with the local government agency.

(15) **Antennas and Service Facilities**

Exterior antennas, satellite dishes, and other such structures shall not be permitted to be placed on the lot or upon the roof on any structure on any lot so as to be visible from the street or adjoining lots. Clothes lines and other service facilities shall be screened so as not to be viewed from the street.

**ARTICALE III**

**Architectural Approval**

(1) **Procedures**

No fence, retaining wall, building or any other structure shall be erected, placed or altered on any lot until the construction plans and specifications and a plot plan showing the location of the structure shall have been approved by the Declarant. The Declarant shall consider the quality or specified material;
harmony with the existing and planned structures and location with respect to topography and finished
grade elevation of the lot and of the other lots in the subdivision. The Declarant may designate a
representative to act on his behalf.

(2) Action

The Declarant may render its decisions only by written instrument setting forth the action taken by
the Declarant.

(3) Approval of Plans by Declarant

No building or structure, including but not limited to swimming pools, private greenhouses,
storage sheds, boat or trailer storage, fences, and animal runs shall not be commenced, erected, placed or
altered on any lot until the construction plans and specifications and a plan showing the nature, shape,
height, materials, and colors together with detailed plans showing the proposed location of the same on the
particular building site and location of any trees with a diameter of six (6) inches or greater at the base that
would be removed, have been submitted to and approved in writing by the Declarant. All plans and
specifications for approval by the Declarant must be submitted at least ten (10) days prior to application for
a building permit.

(4) Nonwaiver

Consent by the Declarant to any matter proposed to it and within its jurisdiction under these
covenants shall not be deeded to constitute a precedent or waiver impairing its rights to withhold approvals
as to any similar matter thereafter proposed or submitted to it for consent.

(5) Liability

Neither the Declarant nor any appointee thereof shall be liable to any owner, occupant, builder, or
others for any damage, loss or prejudice suffered or claimed on account of any action of failure to act by
the Declarant or his assigns provided only that the Declarant has, in accordance with the actual knowledge
possessed by him/her, acted in good faith.

ARTICLE IV
General Provisions

(1) Term

These Covenants are to run with the land and shall be binding on all parties and all persons
claiming under them until amended or revoked in the manner provided herein. These Covenants can be
terminated and revoked or amended only by duly recording instrument which contains an agreement
providing for termination and revocation or amendment and which is signed by the owner of a majority of
the platted lots. So long as Declarant owns any property within the plat, any changes or amendment must
first have prior approval of the Declarant.

(2) Enforcement

Should any person violate or attempt to violate any of the provisions of the covenants, any person
or persons owning any real property embraced within the plat, including the Declarant, as its or their option
shall have full power an authority to prosecute any proceedings at law or in equity against the person or
persons violation or attempting to violate any of said Covenants, either to prevent the doing of such, or to
recover damages sustained by reason of such violation. 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.
(3) Expenses and Attorney's Fees

In the event any person or persons owning any real property embraced within the plat of GRAYSTONE RIDGE, including the Declarant, shall bring any suit or action to enforce these covenants, the prevailing party shall be entitled to recover all costs and expenses incurred by him in connection with such suit or action, including such amounts as the court may determine to be reasonable attorney's fees at trial and upon any appeal thereof.

(4) Severability

Invalidation of any of these Covenants by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

(5) Limitations of Liability of Declarant

Neither Declarant or any officer of director thereof, shall be liable to any owner, occupant, or builder on account of any action or failure to act by or of Declarant in performing its duties or rights herunder, provided that Declarant has, in accordance with actual knowledge possessed by it, acted in good faith.

IN WITNESS WHEREOF, the undersigned being Declarant herein, has hereunto set its hand this the 14th day of APRIL, 2007

COYOTE HOMES INC.

By: Marc Willcuts, President

STATE OF OREGON       )
                     ) ss
County of Yamhill     )

On this 14th day of APRIL, 2007 before me, MARC WILLCUTS being to me personally known, who being duly sworn, did say that he is the Representative of Marc Willcuts.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon

My commission expires: DEC. 3, 2007

[Notary Seal]
GRAYSTONE RIDGE

Sheet Index

Sheet 1 - Boundary, Legend, Plot Data, Certificates, Notes
Sheet 2 - Curve Table, Narrative, Plot Data
Sheet 3 - Declaration & Acknowledgement

Initial Point
5/8/R of PT 2002-08 at most easterly northeast corner of Parcel 2 of Partition Plot No. 2002-08

Tract B
1 strip that is 25' long dedicated to the City of Dundee

This is an exact copy of the plat of GRAYSTONE RIDGE

MATT DUNCKLE & ASSOC.
3765 Riverside Drive
McKenny, Oregon 97128
Phone: 503-472-7904
Fax: 503-472-0357
Email: matt@dunkleassoc.com

OCTOBER 13, 2007

Sheet 1 of 4
The purpose of this survey is to subdivide the COYOTE HOMES, INC., tract as described in Instrument No. 200003041. It is Parcel 2 and a portion of Parcel 1 of Yamhill County Partition Plot No. 2002-08. This survey is based completely on monuments and measurements of Partition Plot No. 2002-08. The basis of bearing is per Partition Plot No. 2002-08. A portion of 5th Street has already been dedicated to the City of Dundee by deed recorded in Instrument No. 200003041.

Tract B

Detail Scale: 1" = 20'
GRAYSTONE RIDGE

A Re-Plat of Parcel 2 and a Portion of Parcel 1 of Partition Plat No. 2002-08, Located in the NE 1/4 Section 28, T. 3 S., R. 3 W., WM, Tracts 90,91,92 & 93, of DUNDEE ORCHARD HOMES NO. 1, City of Dundee, Yamhill County, Oregon.

Docket No. Dundee SD 06-32

Tax Map: J32E6A

Date: 10 March 2007

Notes

1) Tract A is dedicated to the City of Dundee for pedestrian walkway and utilities placement and to be maintained by the City of Dundee.
2) Tract B is dedicated in fee to the City of Dundee and is to be maintained by the City of Dundee.
3) This subdivision is subject to conditions, rights, and restrictions recorded in Instrument No. 200205371. See also Note #5 on Partition Plat 2002-08.
4) All land described within the Surveyor's Certificate contained herein, and all lots, tracts, or parcels created therefrom are subject to Waiver of Rights to Remonstrance for private and transit utility improvements, including the terms and conditions thereof, to relocate existing Franchise Utilities underground, recorded in Instrument No. 200205371a. See also Note #5 on Partition Plat 2002-08.
5) The 25' wide storm drain easement to the City of Dundee created by Partition Plat 2002-08.
6) The 25' wide "passage street right of way" to the City of Dundee created by Partition Plat 2002-08.

City Approvals:

City of Dundee Mayor
Date: 1/25/07

City of Dundee Planning Commission Chairman
Date: 1/26/07

City of Dundee Director
Date: 1/26/07

County Approvals:

Yamhill County Surveys
Date: 1/28/07

Yamhill County Tax Collector
Date: 2/8/07

Yamhill County Tax Commissioner
Date: 2/9/07

Easement Notes

1) U.E. - U.E.'s shown along street frontages of parcels, lots or tracts are a utility easement, a public sidewalk easement, as well as a waterline, sanitary sewer and storm drain easement to the City of Dundee.
2) EX10 - Lot 1) A 10' wide U.E. dedicated by this plat to benefit Parcel 1 of Partition Plat 2002-08.
   Partition Plat 2002-08 created a 20' wide access and Fix Lane Easement here to benefit the City of Dundee which has been extinguished by Instrument No. 200205371.
   EX11 - (Lots 1 and 2) An existing landscape easement created in Partition Plat 2002-08 for the benefit of Parcel 1 of said Partition Plat 2.
   EX12 - (Lot 1) A triangular shaped utility easement to benefit Parcel 1 of Partition Plat 2002-08. This U.E. is added to the existing 10' wide utilities easement created by Partition Plat 2002-08 for the benefit of said Parcel 1.
   EX13 - (Lot 7) A 10' wide storm drain easement in favor of the City of Dundee.
   EX14 - (Lot 4) A 12' wide utility easement to benefit Tax Lot 3102 and Lot 5.
   EX15 - (Lot 5) A utilities easement to benefit Tax Lot 3102 and Lot 4.
   EX16 - (Lot 3) A 12' wide utility easement to benefit Tax Lot 3102 and Lots 4 and 5.
   EX17 - (Lot 5) A 12' wide storm drain easement to benefit Lot 3.
   EX18 - (Lot 4) A storm drain easement in favor of the City of Dundee.
   EX19 - (Lots 12-14) A 20' wide storm drain easement in favor of the City of Dundee.
   EX20 - (Lot 2) A 5' wide private water line easement along the north line of the existing Landscape Easement to benefit Parcel 1 of Partition Plat 2002-08.
   EX21 - (Lot 2) A 5' wide U.E. to benefit Parcel 1 of Partition Plat 2002-08.

SURVEYOR'S CERTIFICATE

I, Matt Dundee, do hereby certify that I have correctly surveyed and marked the property line and the land herein shown as GRAYSTONE RIDGE, being Parcel 2 and a Portion of Parcel 1 of Yamhill County Partition Plat No. 2002-08 and being more particularly described as follows:

Beginning on the southeasterly margin of 5th Street at the northeasterly corner of said Parcel 2; thence S39°33'15" W. 90.00' to the northeasterly corner of Parcel 1 at said Partition Plat 2002-08; thence NS8°57'50" W. 208.98' to the northeasterly corner of said Parcel 1; thence S31°56'12" W. 130.43' along the westerly line of said Parcel 1 to the most northerly corner of that tract of land described in deed from JOHN M. GRAY, Successor trustee under the JOHN MUNSON GRAY LIVING TRUST dated June 27, 1998 to the CITY OF DUNDEE and recorded in Instrument No. 200104234, Yamhill County Deed Records; thence continuing S31°56'13" W. 33.28' to the most westerly southwest corner of said Parcel 1; thence S24°25'37" E. 134.79' along the southerly line of said Parcel 1 to the southwest corner of that tract of land described in deed from JOHN M. GRAY, Successor trustee under the JOHN MUNSON GRAY LIVING TRUST dated June 27, 1998 to SIMCO, LTD and recorded in Instrument No. 200300046, Yamhill County Deed Records; thence N30°37'13" E. 32.07' to the most northerly corner of said tract, thence S29°20'47" E. 102.45' to the easterly line of said Parcel 1; thence S30°37'15" W. 182.88' along the easterly lines of Parcel 1 and 2 of Partition Plat 2002-08 to the southeasterly corner of said Parcel 2 and the northerly margin of 7th Street (30.00' from center line), thence NS8°57'39" W. 140.30' along said northerly margin to the most southeasterly corner of said Parcel 2; thence N31°54'45" E. 195.01' along the westerly line of said Parcel 2 to an iron rod, thence N58°50'00" W. 149.05' to an iron rod on the westerly line of Parcel 1 at said Pt 91-92, thence N30°37'15" W. 35.12' to an iron pipe at the most easterly corner of that tract of land described in deed to LEVIN H. FEDD, ET UX, and recorded in Book 172 Page 283, thence N55°36'52" W. 99.95' to an iron rod at the most southerly corner of that tract of land described in deed to BRUCE M. CULLISON, ET UX, and recorded in Book 167 Page 231; thence NS3°24'18" W. 197.97' along the easterly line of said CULLISON tract and the westerly line of that tract of land described in deed to ROBERT A. HODSON, ET UX, and recorded in Film Volume 13 Page 100 to the most easterly corner of said HODSON tract, thence N42°33'00" E. 34.64' along the northerly line of said HODSON tract, thence NS8°32'22" W. 156.94' to an iron rod, thence N67°26'00" W. 18.44' to northerly margin of Upland Drive (30' from center line), thence NS5°30'53" E. 205.57' along said northerly margin to the most easterly margin of Parcel 2 of said Partition Plat 2002-08; thence E5°41'00" E. 60.17' to an iron rod, thence S29°57'00" E. 299.85' to the point of beginning.

Matt Dundee & Assoc.
3765 Riverside Drive
McMinnville, Oregon 97128
Phone: 503-472-7904
Fax: 503-472-0367
Email: matt@dundeeassoc.com

This is an exact copy of the plat of GRAYSTONE RIDGE Sheet 3 of 4 6039
GRAYSTONE RIDGE

A Re-Plot of Parcel 2 and a Portion of Parcel 1 of Partition Plot No. 2002-08,
Located in the NE 1/4 Section 26, T. 3 S., R. 3 W., WM., Tracts 90.91.92 & 93,
of DUNDEE ORCHARD HOMES NO. 1, City of Dundee, Yamhill County, Oregon

Docket No. 3326AD

Tax Map: 3326AD

Date: 10 March 2007

DECLARATION

KNOW ALL MEN BY THESE PRESENTS that COYOTE HOMES, INC. is the owner and
BRUCE D. DIXON and GRACE E. DIXON Trustees of the BRUCE D. DIXON and
GRACE E. DIXON TRUSTS UTA DTD 5/6/92 and COLUMBIA RIVER BANK are lien
holders of the lands represented on the attached map and more particularly
described in the Surveyor's Certificate, and has caused said lands to be plotted
into lots, streets and easements as shown on the attached plot, and hereby
grants to the State of Oregon, for street purposes forever, and grant
all easements for the purposes shown.

Marc Welcutts

COYOTE HOMES, INC.

Acknowledgement

STATE OF OREGON  
COUNTY OF YAMHILL  

On this 10th day of March 2007, i, did personally
appear MARC WELCUTTS in the capacity shown in the above Declaration, who
being duly sworn, did say that he is the identical person named in the foregoing
instrument and that he executed said instrument freely and voluntarily.

Affidavit of Consent to the Declaration
By: COLUMBIA RIVER BANK
OFFICIAL YAMHILL COUNTY RECORDS  20070504
JAN COLEMAN, COUNTY CLERK

Affidavit of Consent to the Declaration
By: BRUCE D. DIXON and GRACE E. DIXON
TRUSTS UTA DTD 5/6/92, BRUCE D. DIXON
and GRACE E. DIXON, Trustees
OFFICIAL YAMHILL COUNTY RECORDS
JAN COLEMAN, COUNTY CLERK  20070504

MATT DUNCKEL & ASSOC.
3760 Riverside Drive
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