CONDITIONS COVENANTS AND RESTRICTIONS

This DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS FOR Hyland Acres, a subdivision in Yamhill County, Oregon (herein known as the "Declaration") is hereby made and executed this 17th day of June, 2004, by the Undersigned (who constitute all of the owners of real property more particularly described on attached Exhibit "A");

RECITALS:

WHEREAS, the undersigned Owners desire to create specific conditions, covenants and restrictions contained herein for the benefit of all of the parcels set forth on a portion of the real property set forth on attached Exhibit "A" and any modifications thereto and their present and subsequent Owners. The undersigned owners do hereby state that subsequent to the date of execution hereof, a subdivision plat known as HYLAND ACRES consisting of six (6) lots will be recorded associated with the said real property with a copy of the subdivision plat attached hereto as Exhibit "B" and that both Lot 6 and approximately the southeast 400' of Lot 1 as set forth (that portion of Lot 1 set forth as diagonal lines) on attached Exhibit "B" are not subject to this said Declaration (with the real property set forth on Exhibit "A" but excluding Lot 6 and approximately the southeast 400' of Lot 1 herein known as “affected property”).

SECTION 1 - DEFINITIONS.

The following words and terms, when used in this Declaration, and supplemental Declarations or any changes, amendments, or modifications hereto, shall have the following meanings:

1.1 "Lot or Parcel" shall mean and refer to any of the existing parcels or any modifications thereto which are contained within the affected property.

1.2 "Owner" shall mean and refer to the Owner of record, whether one or more persons or entities, of an interest in and to any of the parcels within the affected property.
1.3 "Street" shall mean and refer to any street, alley, public way, highway, cul-de-sac, or other thoroughfare providing a means of access and shown on any map associated with the affected property.

1.4 "House" shall mean and refer to a dwelling intended for use and occupancy by not more than one family, having complete living facilities and constituting one dwelling unit. This term shall also include and refer to a garage and any accessory buildings or portions of the principal building used for the parking or storage of vehicles.

1.5 "Mortgagee" shall mean the holder of a mortgage on any portion of the said affected property and shall have the meaning set forth in ORS 86.010, et. seq. and shall include beneficiaries of deeds of trust.

SECTION 2 - COMMON SCHEME RESTRICTIONS.

The following restrictions are hereby imposed as a common scheme upon each parcel within the affected property for the benefit of every other parcel within the affected property and may be enforced by any Owner.

2.1 No large animals, livestock, or poultry of any kind shall be raised, kept or permitted upon any Lot or in any part of the affected property; provided, however, that no more than one (1) horse per acre, or one (1) sheep per acre, or one (1) llama per acre, or one (1) cow per acre may be housed on a specific Lot. Any permitted animals which are kept in the affected property must not create any type of nuisance or noxious activity (including noise).

2.1.1 No animals shall be allowed to become a nuisance to any resident within the affected area.

2.1.2 All animals permitted under this subsection shall not be kept, bred, or raised for commercial purposes or be maintained in unreasonable numbers.

2.1.3 All Lots with large animals under this subsection must have a shelter type structure (i.e., such as a barn) of sufficient size and with a roof with a minimum pitch of 3/12 to house the large animals.

2.2 No Lot in any area in or part of the affected property shall be used for the purpose of exploring for, taking therefrom, or the production of gas, oil or any other hydrocarbon or mineral substance.

2.3 No noxious or offensive activity shall be permitted upon any Lot or in any area or part of the affected property, nor shall anything be done or maintained thereon that may be or become an annoyance or nuisance to any Owner or detract from the value of the affected property as a high-class residential neighborhood.
2.4 No personal property such as a trailer, recreational vehicle, boat, camper unit, farm equipment, or tent shall be placed, stored or parked on any Lot, or in any part of the affected property unless it is stored inside a structure or if it stored outside, it must be sufficiently screened from public view from any portion of the Roadway which acts as an access to the entire affected property.

2.5 Each Lot shall provide adequate room for the parking of private vehicles, and said private vehicles shall not be allowed to be parked in any portion of the said property so that they become a sight nuisance from any portion of the Roadway which acts as an access to the entire affected property.

2.6 No television antennas or radio aerials shall be permitted upon any Lot, House, or any part of or area of the affected property. Satellite receivers and dishes shall be permitted on a Lot, House, or any part of or area in the affected property only if such are screened from view of any Roadway and are not placed on the roof of any structure. All utilities shall be installed underground.

2.7 No Lot, or area in or part of the affected property shall be used or maintained as a dumping site or depository for rubbish, refuse, trash, garbage, or any other form or type of waste. Any such waste may be temporarily stored in a location visible from any Roadway within the affected property for not more than twenty-four (24) hours provided it is stored in a suitable and sanitary container until such waste is picked up or removed. Any containers or other equipment for the storage or disposal of such waste shall be maintained and operated in a safe and sanitary manner and shall not cause or be a form of nuisance to any resident in the affected property. Trimmings, cuttings and like debris may be composted on any Lot provided they are maintained in a singular enclosed location not visible from any Street and so as not to become an annoyance or nuisance to any other resident in the affected property.

2.8 No sign or other advertising device shall be erected or constructed upon or placed within or on any Lot, house, building, structure or in any area or part of the affected property except for garage sale signs, political signs, and one (1) sign not larger than eighteen (18) inches by twenty-four (24) inches advertising such House for sale.

2.9 No Owner, invitee, or licensee shall allow any activity to occur which will cause a level of noise to be offensive or disruptive to any one else within the affected property.

SECTION 3 - BUILDING STANDARDS

3.1 There are no mobile homes or manufactured homes allowed whatsoever in any portion of the affected property. All houses shall be constructed to a minimum of 1,750 sq. ft. excluding the garage area. All houses shall be constructed at a minimum with lap siding (i.e., no T-111 is allowed), and all roofing material shall be at a minimum architectural composition, shakes, or tile. Any barns or outbuildings can be constructed from material other than lap siding so long as they are aesthetically attractive and do not detract from the attractive nature of this high class
residential subdivision.

3.2 Landscaping. Not more than six (6) months after the substantial completion of any House erected or constructed in the affected property, the front yard of the Lot upon which said House has been erected or constructed shall be fully and completely landscaped as to the planting of cultivated grass lawns. Owners are strongly encouraged to use sod for the plantings of lawns. At all times after substantial completion of the construction of a House on a Lot in the affected area and before the installation of landscaping, all yards shall be maintained so as not to be offensive in appearance nor cause or present any sort or form of hazardous or dangerous condition.

3.3 Setbacks from Property Lines. Minimum setbacks on all Lots in the affected property shall be governed by the applicable Yamhill County development ordinances.

SECTION 4 - EASEMENTS.

4.1 Ingress/egress, utility, and drainage easements are set forth on the plat of Hyland Acres.

SECTION 5 - MAINTENANCE OF LOTS

5.1 Each Owner of any Lot in the affected property shall maintain the condition of said Lot and any and any improvements thereon including, without limitation, any House, building, fencing, structure, landscaping, sidewalks, driveways, trees, shrubs, or other vegetation thereon in a reasonably clean, neat, attractive and visually pleasing manner so as to not detract from the affected property being a high-class residential neighborhood.

SECTION 6 - AMENDMENTS OR MODIFICATIONS.

6.1 This Declaration may be amended or modified by an instrument signed by not less than seventy-five percent (75%) of the then Owners of Lots in the affected property.

6.2 Any and all amendments or modifications to this Declaration must be in writing and shall be recorded as an amendment or modification to this Declaration in the official and public records of Yamhill County, Oregon.

SECTION 7 - DURATION OF THESE CCR'S.

7.1 The covenants, conditions and restrictions of this Declaration and any and all amendments and modifications hereto shall run with and bind the land and inure to the benefit of any and all Owners of Lots in the affected property, their legal representatives, heirs, successors and assigns for a term of thirty (30) years from the date this original Declaration is recorded in the official and public records of Yamhill County, Oregon. After such date, the original Declaration and any and all amendments and modifications hereto shall be automatically extended and renewed for successive periods of ten (10) years unless and until an instrument terminating the Declaration
and any amendments thereto signed by the then Owners of seventy-five percent (75%) of the Lots has been executed and recorded in the official records of Yamhill County, Oregon prior to the commencement of any ten (10) year period.

SECTION 8 - MISCELLANEOUS OTHER PROVISIONS.

8.1 In constructing this Declaration, or any part hereof, stipulations that are necessary to make this Declaration or any of its terms or provisions reasonable are hereby implied. Invalidity of any of the provisions of this Declaration shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

8.2 Any provision of this Declaration and any amendments thereto shall bind and inure to the benefit of and be enforceable by the Owner or Owners of any Lot or Lots, their legal representatives, successors heirs and assigns under any type of legal or equitable relief. Failure by the Owner or Owners of any Lot or Lots, their legal representatives, successors, heirs or assigns to enforce any condition, charge or restriction of this Declaration shall in no event be deemed a waiver of the right to do so. In case any suit or action is required to be filed to enforce any term or provision hereof, the non-prevailing party is required to pay the prevailing party's costs and attorney fees incurred in enforcement, both at trial and on appeal.

8.3 By the recording of this Declaration, each Owner shall be deemed to have consented and agreed to every term, condition, covenant and restriction contained herein.

8.4 Mortgage Protection.

8.4.1 Consent Required. Except upon the approval of Mortgagees holding Mortgages of Lots which have at least seventy-five percent (75%) of the votes of Lots which are subject to Mortgages, no amendments may be made to this Declaration which add to or amend any material provision of the Declaration which establish, provide for, govern or regulate any of the following:

8.4.2 Termination. Termination of this Declaration or any amendment thereto shall require the consent of not less than seventy-five percent (75%) of the Mortgagees holding an interest in Lots. Any such Termination of this Declaration shall be carried out by the Owners pursuant to the provisions of the Declaration, and only after a vote of the Owners as required by this Declaration.

8.4.3 Limitation. The provisions of paragraph 8.4.1 are intended only to be a limitation on the right of the Owners to amend the Declaration, and any such amendments to the Declaration shall be made only upon full compliance with the provisions of such relating to the procedure and percentage of votes required for such amendment.

8.4.4 Deemed Approval by Mortgagees. Any Mortgagee who receives a written request to approve an amendment to the Declaration or any other action to be taken, shall be
deemed to have given such approval unless such Mortgagees written objection to such action is delivered to the Owners within thirty (30) days after the date of the written request.

8.5 Default by an Owner of any Obligation of the said Owner.

8.5.1 Failure by an Owner to cure any breach of the terms and conditions of these CCR's shall be a default by such Owner of his or her obligations pursuant to these CCR's. In case any Owner thereof is required to retain the services of an attorney to enforce any term or condition of these said CCR's, the non-prevailing party is liable for the payment of attorney fees and costs incurred by the prevailing party, both at trial and on appeal.

8.6 Notice. Any notice under this Declaration and any amendment thereto shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, addressed to the specific Owner at the mailing address of the Owner.

8.7 Captions. As used hereunder, the singular shall include the plural and the plural the singular, and the masculine and neuter shall each include the masculine, feminine, and neuter as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of this Declaration and any amendments thereto.

8.8. Severability. If any term or provision hereof is determined to be invalid, that invalidity has no effect upon the remaining terms and provisions hereof.

This said Declaration has been executed by at least 75% of the Owners as required in the original DECLARATION.

[Signatures]

West Development Corp.

Mart Storm
State of Oregon  

)ss

County of Yamhill  

Personally appeared the above-named Marc Willcuts before me who stated that he was the president of Far West Development Corp. and who stated that he was executing the said document with the authority of the Board of Directors and who further acknowledged the foregoing instrument to be his voluntary act and deed.

Subscribed and sworn to before me this 10th day of June, 2004.

[Signature]

Notary Public for Oregon
My commission expires: 5-14-07

State of Oregon  

)ss

County of Yamhill  

Personally appeared before me the above-named Mart Storm who acknowledged execution of the foregoing document to be his voluntary act and deed.

Subscribed and sworn to before me this 10th day of June, 2004.

[Signature]

Notary Public for Oregon
My commission expires: 5-14-07
25 May 2004

FAR WEST DEVELOPMENT – Legal Description of HYLAND ACRES

A tract of land in Section 24, Township 3 South, Range 3 West, Yamhill County, Oregon, being more particularly described as follows:

Beginning at a ¾” iron pipe at the intersection of the east line of the west one-half of the David Ramsey Donation Land Claim # 59 with the northwesterly margin of Highway 99W; thence North 38°11’31” West 1104.43’ to the south line of that tract of land described in deed from DOUGLAS R. Dickey and H. CLARE Dickey to DONALD R. COOKE and DORIS N. Cooke and recorded in Film Volume 107, Page 564; thence South 89°01’01” West 322.97’ along said south line to the east line of OTTER CREEK HYLANDS; thence South 02°39’13” West 802.95’ along said east line to the southeast corner of said OTTER CREEK HYLANDS; thence South 01°55’52” West 349.74’ along the east line of that tract of land described in deed from WAYNE A. COOK and MICHELLE K. COOK to FAR WEST DEVELOPMENT, INC. and recorded in Instrument #200326810 and the east line of that tract of land described in deed from JULIE WINTERMUTE and JAMES SEDLACKO to JONI L. FOUTS and VICKI L. LUCHT and recorded in Film Volume 262 Page 980; thence South 01°46’03” West 696.00’ along the west line tract of land described in deed from FIRST STREET CORPORATION to JOSEPH J. HANNA, JR. and recorded in Film Volume 318 Page 769; thence North 89°59’03” East 138.88’ to the northwesterly margin Highway 99W; thence North 43°35’03” East 1359.56’ along said northerly margin to the point of beginning.

EXCEPTING THE FOLLOWING DESCRIBED TRACT OF LAND: Beginning at an iron rod that bears South 78°54’12” West 486.09 feet from a ¾” iron pipe at the intersection of the east line of the west one-half of the David Ramsey Donation Land Claim # 59 with the northwesterly margin of Highway 99W; thence North 45°20’38” West 368.92 feet to an iron rod; thence North 41°52’50” East 298.27 feet to an iron rod; thence South 33°07’37” East 237.74 feet to an iron rod; thence South 41°50’42” West 43.27 feet to an iron rod; thence South 47°36’59” East 141.44 feet an iron rod; thence South 42°35’30” West 210.14 feet an iron rod at point of beginning.
RESERVING A 30 foot wide access and utilities easement across that tract of land described by deed from ROGER G. SMITH to RONALD B. FOWLER and BEVERLY A. FOWLER REVOCABLE LIVING TRUST, THOMAS W. EDWARDS and KAY L. EDWARDS, and FINIS D. CARTER and recorded in Instrument No. 199616150, Yamhill County Deed Records, situated in Section 24, Township 3 South, Range 3 West, W.M., Yamhill County, Oregon, the centerline of which is described as follows: Beginning at a point on the westerly margin of Highway 99 West (60' from centerline) that bears South 43°42'22" West 15.15 feet from the easterly most northeast corner of said FOWLER TRUST/EDWARDS/CARTER tract; thence North 38°10'54" West 193.59 feet to the beginning of a curve having a radius of 70.00 feet and being concave to the south; thence westerly 121.23 feet along said curve(Chord= North 87°47'42" West 106.64 feet); thence South 42°35'30" West 84.97 feet; thence South 42°35'30" West 245.54 feet along a line that is parallel with and 15.00 feet easterly [when measured at right angles] of the east line of that tract of land described by deed from ISENBERG to NORTH STREET CORPORATION and recorded in Instrument No. 199602710, to the end of said centerline.

ALSO RESERVING A 15' WIDE EASEMENT across the above described tract of land, the centerline of which is described as follows: Beginning at a point on the westerly margin of Highway 99 West (60' from centerline) that bears South 43°42'22" West 15.15 feet from the easterly most northeast corner of said FOWLER TRUST/EDWARDS/CARTER tract; thence North 38°10'54" West 193.59 feet to the beginning of a curve having a radius of 70.00 feet and being concave to the south; thence westerly 121.23 feet along said curve(Chord= North 87°47'42" West 106.64 feet); thence South 42°35'30" West 84.97 feet; to the TRUE POINT OF BEGINNING; thence North 83°27'54" West 59.50 feet to a point on the easterly boundary that tract of land described by deed from ISENBERG to NORTH STREET CORPORATION and recorded in Instrument No. 199602710, and the end of said centerline.

ALSO RESERVING an easement 20 feet in width for maintenance and reconstruction of a sewage pipeline being 10 feet each side of the following described centerline: Beginning at an iron rod that bears South 78°54'12" West 486.09 feet from a ¼" iron pipe at the intersection of the east line of the west one-half of the David Ramsey Donation Land Claim # 59 with the northwesterly margin of Highway 99W; thence North 45°20'38"West 368.92 feet to an iron rod; thence North 41°52'50"East 298.27 feet to an iron rod at the TRUE POINT OF BEGINNING; thence North 31°40'41"West 300.47 feet to the terminus of this centerline.

ALSO RESERVING an easement 80 feet in width for maintenance and construction of a sewage drain field area and replacement area, being 40 feet each side of the following described centerline: Beginning at the terminus of the above described sewage pipeline easement; thence South 80° West 120.00 feet; thence South 65° West 120.00 feet to the terminus of this easement.