DECLARATION OF
PROTECTIVE COVENANTS AND RESTRICTIONS
FOR LOTS 42 THROUGH 74
OAK KNOLL, YAMHILL COUNTY, OREGON.

THIS DECLARATION OF PROTECTIVE COVENANTS AND
RESTRICTIONS FOR LOTS 42 THROUGH 74 OAK KNOLL, YAMHILL COUNTY,
OREGON (the "Declaration") is hereby made and executed this 17 day of September, 1996,
by Willamette Hills Associates, L.L.C. (the "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of all that certain real property located in
Yamhill County, Oregon and legally described as Lots 42 through 74, Oak Knoll as has been
platted and designated as Oak Knoll according to the map and plat thereof on file with and in the
official records of Yamhill County, Oregon.

WHEREAS, Declarant desires to subject lots 42 through 74 Oak Knoll to the
Conditions, Covenants and Restrictions for Oak Knoll recorded October 31, 1995 as instrument
number 199514666, Recording Office of Yamhill County, Oregon ("CC&R’s").

NOW, THEREFORE, Declarant hereby declares that lots 42 through 74 Oak
Knoll are and shall be held upon and conveyed subject to the CC&R’s.

Lots 47 through 74 are Zone 1 lots pursuant to section 4.6.1 of the CC&R’s; and

Lots 42 through 46 are Zone 2 lots pursuant to section 4.6.2 of the CC&R’s.
All terms and conditions of the CC&R's are hereby incorporated by reference herein.

Declarant: Willamette Hills Associates, L.L.C.

By: ________
A. Paul Brenneke
President, NSP Development, Inc., Member

STATE OF OREGON

) ss.
COUNTY OF Multnomah

Personally appeared before me on the 17th day of September, 1996, the above-named A. Paul Brenneke who did say he was President of NSP Development, Inc., a member of Willamette Hills Associates, L.L.C. and that this instrument was signed in behalf of said limited liability company by authority of its Operating Agreement and acknowledged that he executed the foregoing as its voluntary act and deed.

Melissa J. Anderson
NOTARY PUBLIC for Oregon,

Page 2 - CONDITIONS, COVENANTS AND RESTRICTIONS
SUBDIVISION COMPLIANCE AGREEMENT
OAK KNOLL SUBDIVISION PHASE 3

THIS AGREEMENT made and entered into this 27 day of November, 1996, by and between the CITY OF NEWBERG, a municipal corporation in the County of Yamhill, State of Oregon, hereinafter referred to as CITY and PC DEVELOPMENT, INC., AN OREGON CORPORATION DBA RAINTREE DEVELOPMENT COMPANY hereinafter referred to as SUBDIVIDER.

RECITALS

1. SUBDIVIDER has petitioned the CITY to accept a subdivision plat known as "OAK KNOLL SUBDIVISION PHASE 3" located in the City of Newberg, Oregon. Instrument #1996-21033

2. The CITY's subdivision ordinance and applicable ordinances and laws of the CITY, require that the SUBDIVIDER execute and file with the CITY an agreement providing for, among other things, the period within which all required improvements shall be made within said subdivision and shall not be completed within the period specified, the CITY may complete the same and recover the full cost and expenses thereof from the SUBDIVIDER.

3. The CITY is agreeable to acceptance of said subdivision plat upon the execution of this agreement and compliance by the SUBDIVIDER with the provisions of the CITY subdivision ordinance, as amended.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements of the parties, it is agreed as follows:

1. The SUBDIVIDER agrees to install all of the required public improvements as provided in the CITY subdivision ordinance and binds itself to use such materials and to so construct all of the improvements according to CITY standards as defined by the applicable ordinances, the approved construction plans, and the rules and regulations of the CITY as shown on the subdivision plat.

2. The SUBDIVIDER agrees to provide for the restoration of any monuments erected or used for the purpose of designating a survey marker or boundary of any town, tract, plat or parcel of land which monument is broken down, damaged or obliterated, removed or destroyed, whether willfully or not, by the SUBDIVIDER, its agents, employees or contractors.

3. If the subdivision plat is recorded prior to completion and acceptance of all improvements and conditions of approval, the SUBDIVIDER agrees that all of said public improvements shall be completed on or before the 1st day of July, 1987; the SUBDIVIDER agrees that in case it shall abandon the work or fall to make satisfactory progress on the work, the CITY may cause the work to be completed by contract or by its own forces; the SUBDIVIDER shall be liable to the CITY for any and all loss and damage from such default, either from the greater expense of so completing or repairing faulty or damaged work, or from any other related course; and upon execution of this agreement, the SUBDIVIDER shall deliver to the CITY a bond for the purposes assuring SUBDIVIDER's full and faithful completion of the required improvements within said subdivision. The amount of the bond is to be 150% of the estimated cost of the unfinished work.

4. At such time as all required improvements, except sidewalks along the vacant parcels and miscellaneous improvements within the subdivision, have been completed in accordance with the CITY's requirements, the SUBDIVIDER shall serve written notification to the CITY of the readiness for final inspection. Upon certification by the City Engineer that all requirements of the CITY have been met, the SUBDIVIDER will furnish to the CITY a maintenance bond or other such security in a form approved by the CITY in the sum of 15% of the total public improvement costs to provide for the correction of any defective materials or workmanship for a period of one (1) year after final acceptance as defined by CITY ordinances.

5. The SUBDIVIDER agrees that sidewalks and miscellaneous improvements within said subdivision shall be completed no later than the time that such buildings are erected upon lots in the subdivision and occupancy permits are issued. Occupancy permits for said buildings may be withheld pending completion of sidewalks and miscellaneous improvements.

6. The conditions, covenants and restrictions, if any, shall be approved by the CITY and recorded prior to the sale of any lot.

7. The CITY agrees to accept the completed required subdivision improvements upon certification by the City Engineer:

(a) That all required subdivision improvements have been constructed in accordance with applicable CITY standards;

(b) SUBDIVIDER has fulfilled the requirements of the CITY's subdivision ordinance;

[Signature]
Recorded in Yamhill County, Oregon

PAUL B. STEIN, COUNTY CLERK

199621034 3:17pm 12/26/96

001 045916 06 22 0000200
002 07 35.00 18.00 0.00 0.00 0.00 0.00 0.00
(c) SUBDIVIDER has provided a copy of the recorded maintenance agreement for any common improvements that are not accepted for maintenance by the CITY;

(d) SUBDIVIDER has provided a maintenance bond or other form of security as indicated in paragraph 4;

(e) The water and sewer development fees will be charged in accordance with the appropriate CITY ordinances and resolutions at the time that the building permits are issued for each additional lot;

(f) SUBDIVIDER has paid an engineering fee to cover final review and inspection requiring connection to the improvements. The estimated cost of the improvement, based on the engineer's estimate, is $325,879.00. The amount of engineering fees is estimated to be 5% of the total cost of all improvements, which said amount is $16,293.95;

(g) SUBDIVIDER shall provide accurate as-built construction plans to the Engineering Division;

(h) SUBDIVIDER agrees to comply with all the conditions of the Planning Commission approval of the preliminary plat;

(i) A signification fee, in the amount of $205.00, will be charged on each lot at the time that building permits are issued.

8. The date of this agreement shall be the date the City Recorder signs and affix the seal of the CITY in execution of said agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above mentioned.

SUBDIVIDER
PC Development, Inc. dba
RainTree Development Company

[Signature]
Robert N. McDougald, President of
RainTree Development Company.

State of Oregon

County of Yamhill

This instrument was acknowledged before me this 27th day of November 1996, by Robert N. McDougald to me known to be president of RainTree Development Company.

[Signature]
Notary Public for Oregon
My Commission Expires: 5/16/97

SUBDIVIDER
PC Development, Inc. dba
RainTree Development Company

[Signature]
Robert H. Huntington, Maker of
PC Development, Inc.

State of Oregon

County of __________

This instrument was acknowledged before me this _____ day of ________, 1996, by Robert H. Huntington to me known to be _______ of PC Development, Inc.

Notary Public for Oregon
My Commission Expires: ____________________

After Recording, return to:
City of Newberg
Engineering Division
411 E. First Street
Newberg, Oregon 97132

ROBERT N. MCDougald
OWNERS OF PROPERTY

(a) __________________ is the owner of all or a portion of the property known as Oak Knoll Subdivision Phase 3. Owner agrees to be bound by all terms and conditions of this Subdivision Agreement to the same extent, and under the same conditions as Subdivider. Further, owner agrees that CITY may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Owner agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

A. Paul Brenneke

State of Oregon

County of ____________

This instrument was acknowledged before me on this ___ day of ____________, 1996, by A. Paul Brenneke.

Notary Public for Oregon

My Commission Expires __________

(b) Mart Storm __________ is the owner of all or a portion of the property known as Oak Knoll Subdivision Phase 3. Owner agrees to be bound by all terms and conditions of this Subdivision Agreement to the same extent, and under the same conditions as Subdivider. Further, owner agrees that CITY may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Owner agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

Mart M. Storm

State of Oregon

County of ____________

This instrument was acknowledged before me on this ___ day of ____________, 1996, by Mart Storm.

Notary Public for Oregon

My Commission Expires __________

12-26-96
OWNERS OF PROPERTY

(a) A. Paul Brenneke is the owner of all or a portion of the property known as Oak Knoll Subdivision Phase 3. Owner agrees to be bound by all terms and conditions of this Subdivision Agreement to the same extent, and under the same conditions as Subdivider. Further, owner agrees that CITY may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Owner agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

[Signature]
A. Paul Brenneke

State of Oregon )
               SS.
County of ________

This instrument was acknowledged before me on this 27th day of December, 1996, by
A. Paul Brenneke.

[Notary Seal]
Notary Public for Oregon
My Commission Expires Sept. 19, 2000

(b) is the owner of all or a portion of the property known as Oak Knoll Subdivision Phase 3. Owner agrees to be bound by all terms and conditions of this Subdivision Agreement to the same extent, and under the same conditions as Subdivider. Further, owner agrees that CITY may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Owner agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

[Signature]
Mart M. Storm

State of Oregon )
               SS.
County of ________

This instrument was acknowledged before me on this ___ day of __________, 1996, by
Mart Storm.

Notary Public for Oregon
My Commission Expires _________

After Recording, return to:
City of Newberg
Engineering Division
414 E. Pearl Street
Newberg, Oregon 97132

[Notary Seal]
Notary Commission No. 87878
BENEFICIARIES OF TRUST DEED

(a) Cupertino National Bank, as custodian for the Allison Rubenstein IRA, as beneficiary of a certain Trust Deed, dated August 12, 1996, agrees to be bound by all the terms and conditions of this Subdivision Agreement to the same extent and conditions as Subdivider. Further, Beneficiary agrees that the City may enter and remain upon the property that is known as the Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Beneficiary agrees to be bound by any amendment or extension of the Subdivision Agreement and waives any notice of such.

CUPERTINO NATIONAL BANK as Custodian for the Allison Rubenstein IRA
By: __________________________________________
   Its: __________________________________________
   By Authority of Cupertino National Bank

State of Oregon  
County of ____________  

This instrument was acknowledged before me on this ____________ day of ____________ 1996, by

__________________________________________
Notary Public for Oregon California
My Commission Expires ____________

(b) Pacific One Bank, Beneficiary of Trust Deed dated September 18, 1996, agrees to be bound by all the terms and conditions of this Subdivision Agreement to the same extent and conditions as Subdivider. Further, Beneficiary agrees that the City may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Beneficiary agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

Pacific One Bank
By: __________________________________________
   Its: __________________________________________
   By Authority of ____________

State of Oregon  
County of ____________  

This instrument was acknowledged before me on this ____________ day of ____________ 1996, by

__________________________________________
Notary Public for Oregon California
My Commission Expires ____________

CITY OF NEWBERG

Duane R. Cole  
City Recorder

Tennese C. Hali  
City Attorney
(a) Cupertino National Bank, as custodian for the Allison Rubenstein IRA, as beneficiary of a certain Trust Deed, dated August 12, 1996, agrees to be bound by all the terms and conditions of this Subdivision Agreement to the same extent and conditions as Subdivider. Further, Beneficiary agrees that the City may enter and remain upon the property that is known as the Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Beneficiary agrees to be bound by any amendment or extension of the Subdivision Agreement and waives any notice of such.

[Signature]

Cupertino National Bank as Custodian for the Allison Rubenstein IRA
By Authority of Cupertino National Bank

Debra Reed
Vice President and Senior Trust Officer

This instrument was acknowledged before me on this ___ day of ___ 1996, by

[Notary Public for Oregon]
My Commission Expires ___

(b) Pacific One Bank, Beneficiary of Trust Deed dated September 18, 1996, agrees to be bound by all the terms and conditions of this Subdivision Agreement to the same extent and conditions as Subdivider. Further, Beneficiary agrees that the City may enter and remain upon the property that is known as Oak Knoll Subdivision Phase 3 in order to carry out any terms and conditions of this Subdivision Agreement. Further, Beneficiary agrees to be bound by any amendment or extension of this Subdivision Agreement and waives any notice of such.

[Signature]

Pacific One Bank
By Authority of

Fred C. Bergmann
Notary Public for Oregon
My Commission Expires ___

CITY OF NEWBERG

[Signature]

City Recorder

[Signature]

City Attorney
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Santa Clara

On 12/21/94 before me, Anna Paiva Notary Public personally appeared Debra Reed (Name(s) of Signer(s))

Personally known to me - OR - I proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she they executed the same in his/her authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Anna Paiva
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of the form to another document.

Description of Attached Document

Title or Type of Document: Beneficiaries of Trust Deed

Document Date: 11/27/94 Number of Pages: 4

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Debra Reed

☐ Individual ☐ Corporate Officer
☐ Title(s): VP & Sec. Trust Officer
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact ☐ Trustee
☐ Guardian or Conservator ☐ Other:

Signer is Representing:

CNA Custodian for
the Allison Rubenstein
JRA

Signer is Representing:

12-26-96
RECORDING COVER SHEET

THIS COVER SHEET HAS BEEN PREPARED BY THE PERSON PRESENTING THE ATTACHED INSTRUMENT OF RECORDING (ORS 205.234). ANY ERRORS IN THIS COVER SHEET DO NOT AFFECT THE TRANSACTIONS CONTAINED WITHIN THE DOCUMENT.

A. Names of the Transactions described in the attached instruments:

SUBDIVISION COMPLIANCE AGREEMENT

B. Names of the First Parties:

CITY OF NEWBERG

COPY

Names of the Second Parties:

NSP DEVELOPMENT INC.

C. Consideration Paid (if Applicable):

D. Legal Description (if applicable): OAK KNOLL SUBDIVISION PHASE I

E. Lien or Satisfaction Amount (if applicable):

Date of Warrant or Order Recorded:

Original Instrument No. or Film Volume Page:

F. Until a change is requested, all Tax Statements shall be sent to the following address:

NSP DEVELOPMENT, INC
P. O. Box 6059
Portland, Oregon 97228

G. Name & Address of person authorized to receive the instrument after recording:

NORTHWEST TITLE COMPANY
445 Third Street
McMinnville, OREGON 97128

Recorded in Yamhill County, Oregon
CHARLES STERN, COUNTY CLERK

25.00

199512914 3:44pm 09/28/95
001 019677 09 05 000020
1 0 D02 3 15.00 10.00 0.00 0.00 0.00 0.00 0.00
SUBDIVISION COMPLIANCE AGREEMENT
OAK KNOLL SUBDIVISION PHASE 1

THIS AGREEMENT made and entered into this 12 day of Aug., 1995, by and between the CITY OF NEWBERG, a municipal corporation in the County of Yamhill, State of Oregon, hereinafter referred to as CITY and NSF DEVELOPMENT INC., hereinafter referred to as SUBDIVIDER.

RECATALS

1. SUBDIVIDER has petitioned the CITY to accept a subdivision plat known as "OAK KNOLL SUBDIVISION PHASE 1" located in the City of Newberg, Oregon.

2. The CITY's subdivision ordinance and applicable ordinances and laws of the CITY, require that the SUBDIVIDER execute and file with the CITY an agreement providing for, among other things, the period within which all required improvements shall be made within said subdivision and that if such work is not completed within the period specified, the CITY may complete the same and recover the full cost and expenses thereof from the SUBDIVIDER.

3. The CITY is agreeable to acceptance of said subdivision plat upon the execution of this agreement and compliance by the SUBDIVIDER with the provisions of the CITY subdivision ordinance, as amended.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements of the parties, it is agreed as follows:

1. The SUBDIVIDER agrees to install all of the required public improvements as provided in the CITY subdivision ordinance and binds itself to use such materials and to so construct all of the improvements according to CITY standards as defined by the applicable ordinances, the approved construction plans, and the rules and regulations of the CITY as shown on the subdivision plat.

2. The SUBDIVIDER agrees to provide for the restoration of any monuments erected or used for the purpose of designating a survey marker or boundary of any town, tract, plat or parcel of land which monument is broken down, damaged or obliterated, removed or destroyed, whether willfully or not, by the SUBDIVIDER, its agents, employees or contractors.

3. If the subdivision plat is recorded prior to completion and acceptance of all improvements and conditions of approval: The SUBDIVIDER agrees that all of said public improvements shall be completed on or before the 1st day of January 1996; the SUBDIVIDER agrees that in case it shall abandon the work or fail to make satisfactory progress on the work, the CITY may cause the work to be completed by contract or by its own forces; the SUBDIVIDER shall be liable to the CITY for any and all loss and damage from such default, either from the greater expense of so completing or repairing faulty or damaged work, or from any other related cause; and upon execution of this agreement, the SUBDIVIDER shall deliver to the CITY a bond for the purposes assuring SUBDIVIDER's full and faithful completion of the required improvements within said subdivision. The amount of the bond is to be 150% of the estimated $334,941 construction cost.

4. At such time as all required improvements, except sidewalks along the vacant parcels and miscellaneous improvements, within the subdivision, have been completed in accordance with the CITY's requirements, the SUBDIVIDER shall notify the CITY of the readiness for final inspection. Upon certification by the City Engineer that all requirements of the CITY have been met, the SUBDIVIDER will submit to the CITY a maintenance bond or other such security in a form approved by the CITY in the sum of 15% of the total public improvement costs to provide for the correction of any defective materials or workmanship for a period of one (1) year after final acceptance as defined by CITY ordinances.

5. The SUBDIVIDER agrees that sidewalks and miscellaneous improvements within said subdivision shall be completed no later than the time that such buildings are erected upon lots in the subdivision and occupancy permits are issued. Occupancy permits for said buildings may be withheld pending completion of sidewalks and miscellaneous improvements.

6. The conditions, covenants and restrictions, if any, shall be approved by the CITY and recorded prior to the sale of any lots.

7. The CITY agrees to accept the completed required subdivision improvements upon certification by the City Engineer:

1-SUBDIVISION AGREEMENT
OAK KNOLL SUBDIVISION PHASE 1
(a) That all required subdivision improvements have been constructed in accordance with applicable CITY standards;

(b) SUBDIVIDER has fulfilled the requirements of the CITY's subdivision ordinance;

(c) SUBDIVIDER has provided a copy of the recorded maintenance agreement for any common improvements that are not accepted for maintenance by the CITY;

(d) SUBDIVIDER has provided a maintenance bond or other form of security as indicated in paragraph 4;

(e) The water and sewer development fees will be charged in accordance with the appropriate CITY ordinances and resolutions at the time that the building permits are issued for each additional lot;

(f) SUBDIVIDER agrees to pay an engineering fee to cover final review and inspection requiring connection to the improvements. The estimated cost of the improvement, based on the engineer's estimate, is $334,941. The amount of engineering fees is estimated to be 5% of the total cost of all improvements, which said amount is $16,747. The actual engineering costs shall be calculated at the end of the project and any difference will be refunded or charged as appropriate.

(g) SUBDIVIDER shall provide accurate as-built construction plans to the Engineering Department.

(h) SUBDIVIDER agrees to comply with all the conditions of the Planning Commission approval of the preliminary plat.

6. The date of this agreement shall be the date the City Recorder signs and affix the seal of the CITY in execution of said agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above mentioned.

SUBDIVIDER

NSP DEVELOPMENT INCORPORATED

By: A. Paul Brenneke, President

(CORPORATE ACKNOWLEDGEMENT)

State of Oregon 
County of Yamhill 

This instrument was acknowledged before me this 10th Day of August, 1995, by A. Paul Brenneke, known by me to be president of NSP Development Incorporated.

MELISSA J. ANDERSON
Notary Public for Oregon
My Commission Expires: 9/26/95

CITY OF NEWBERG

Duane R. Cole
City Recorder

APPROVED AS TO FORM

Terrence D. Mahr
City Attorney

After recording return to:
City of Newberg, Engineering Dept.
414 N. First Street
Newberg, Oregon 97132

2-SUBDIVISION AGREEMENT
OAK KNOLL SUBDIVISION PHASE 1