WHEREAS, the Declarants have filed for record in the office of the County Clerk of the County of Yamhill and State of Oregon, a plat designated as "Oakwood," located in the S.W. 1/4 & S.E. 1/4 Section 17, T53, R2W, W.N., City of Newberg, YAMHILL COUNTY, OREGON.

WHEREAS, Commonwealth Properties, Inc., an Oregon corporation, is the owner of all the real property included therein.

NOW, THEREFORE, these parties, the above described declarants, do hereby adopt the following general scheme and plan for the improvements, use and restrictions in the use of the land herein described and represented by said plat for the enjoyment and several benefits of themselves, as owners of said land, and also for the owners of any part of said land claiming through them, their successors or assigns; and they do hereby declare that having adopted such general scheme and plan the same is now hereby impressed and fixed on all of the said land and each part and parcel thereof and that all their successors, representatives and assigns who shall derive title from the said declarants, shall take title subject to such general scheme and plan, even though no reference to such plan shall be made in the deed of conveyance as to any such successor, representative or assign, and the passing of title to any part or parcel of said land to any successor, representative or assign shall carry with it as an appurtenance the obligation and burden of such general scheme and plan. The said general plan shall consist of the above described property being and remaining subject to the following conditions, restrictions, covenants and agreements, to-wit:

1. **LAND USE AND BUILDING TYPE:** No lot shall be used except for residential purposes. No building shall be erected, altered or placed on any lot other than one detached single family dwelling not to exceed two and one-half stories in height, exclusive of daylight basements, and a private garage or carport for not more than two cars.

2. **dwelling COST:** Quality and Size: The ground floor area of the main structure, exclusive of one-story open porches and garages, shall not be less than 800 square feet for a one-story dwelling, not less than 750 square feet for a dwelling of more than one story. A basement or partial basement structure shall be considered a two-story structure.

3. **BUILDING LOCATION:** All buildings shall be located to comply with City of Newberg Zoning Ordinances and variances granted therefrom. No building shall be located on any lot nearer to the front lot line than 15 feet. No building shall be located nearer than 5 feet to an interior lot line, except that no side yard shall be required for a garage or other permitted accessory building located 40 feet or more from the minimum building setback line. No dwelling shall be located on any interior lot nearer than 10 feet to the rear lot line. On corner lots, the direction towards which the dwelling faces shall be the front property line. A side yard of 10 feet or more on the side street will be maintained. On corner lots, a rear yard of 10 feet will be maintained and may be measured from either the rear or side building line to either the shorter or the longer property line. For the purpose of this covenant, eaves, steps and open porches shall not be considered as a part of a building.
provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

4. LOT AREA AND WIDTH: No dwelling shall be erected or placed on any lot having a width of less than 50 feet at the minimum building setback line nor shall any dwelling be erected or placed on any lot having an area of less than 5000 square feet.

5. UTILITY CONNECTIONS: On each of the lots in the tract, all telephone service wire connections to the main telephone system and all power connections to the main power system must be placed underground.

6. NUISANCES: No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

7. TEMPORARY STRUCTURES: No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

8. SIGNS: No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square foot, one sign of not more than 5 square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

9. OIL AND MINING OPERATIONS: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

10. 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 household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.

11. GARBAGE AND REFUSE DISPOSAL: No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

12. WATER SUPPLY: No individual water-supply system shall be permitted on any lot unless such system is located, constructed and equipped in accordance with the requirements, standards and recommendations of the State Public Health Authority.

13. SEWAGE DISPOSAL: No individual sewage-disposal system shall be permitted on any lot unless such system is designed, located and constructed in accordance with the requirements, standards and recommendations of the County Health Department. Approval of such system as installed shall be obtained from such authority.
15. GENERAL PROVISIONS: (a) TERM: These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 25 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of 10 years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

ENFORCEMENT: (b) Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants either to restrain violation or to recover damages; if upon the erection of the first improvement upon any of the residential lots which are subject to these restrictions, it is disclosed by survey that a minor violation or infringement of the setback lines has occurred, such violation or infringement may be waived by the written consent and waiver of the owners of the residential lots immediately adjoining on either side of the residential lot upon which the violation or infringement occurs and such waiver shall be binding upon all other owners of residential lots which are subject to these restrictions and shall nullify the provisions of paragraph "b" herein insofar as any right of suit or action occurs by reason of such violation so waived. Nothing herein contained shall prevent the prosecution of a suit for any other violations of these restrictions. For the purpose of defining a "minor" violation as herein contained, such violation shall be not more than two feet beyond the setback lines as herein set forth. This provision shall apply only to the original structure and shall not be applicable to any alterations or repairs to such structure.

SEVERABILITY: (c) Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

COMMONWEALTH PROPERTIES, INC.

BY

Dale G. Johnson, Vice President

Elizabeth B. Underwood, Assistant Secretary

DATED: ____________________

[Seal]
STATE OF OREGON  

County of Multnomah  

On this 12th day of August, 1940, before me personally appeared Debt C. Johnson and 
Elizabeth J. Hubbard, to me known to be the Vice-President 
and Assistant Secretary, respectively, of the corporation 
that executed the within and forgoing instrument and acknowledged 
said instrument to be the free and voluntary act and deed of said 
corporation, for the uses and purposes therein mentioned, and on 
oath stated that they were authorized to execute said instrument 
and that the seal affixed is the corporate seal of said corporation.

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

Kitty Alice De Hart  
Notary Public for the State of Oregon  

My commission expires: June 3, 1943

STATE OF OREGON.  

Ex. County of Yamhill.  

I, JACK BEEBE, County Clerk in and for said County and State, 
hereby certify that the within instrument of writing was 
received and has been by me duly recorded in Volume  
28 of the Records of  

18th day of August, A.D. 1940.  

In testifying whereof I have hereunto subscribed 
my name and affixed my Official Seal.  

JACK BEEBE, County Clerk.

By: ___________________________  

Notary Public