ROADWAY MAINTENANCE AGREEMENT

THIS AGREEMENT, made and entered into this 12th day of July, 1990, by and between STEVEN L. JENSEN, hereinafter referred to as the First Party, and DONALD FALCHI, JR., an Oregon corporation, hereinafter referred to as the Second Party, and,

UNLESS, the First Party is purchasing real premises from the Second Party as per Memorandum of Contract recorded in Volume 241, Page 120 and,

UNLESS, the First Party has divided the said real premises into a tract known as Pasquer Mountain Estates which consists of eight lots, as shown in Plat Book 3, Page 36-37, Deed and Mortgage Records, Yamhill County, Oregon; and,

UNLESS, located upon the said real premises is a public roadway known as TURNER LANE which is a public roadway not accepted by Yamhill County for maintenance purposes.

Therefore, the undersigned as owners of said real premises agree that the First Party and any subsequent owners of any of the said lots, shall mutually maintain and repair the roadway and share the costs thereof. The First Party and any subsequent owners of any of the said lots, shall mutually agree upon future repairs and maintenance of the roadway and the costs of such shall be shared equally between them.

The First Party and any other subsequent owners of the said lots agree that in the event damages are incurred in the maintenance of said roadway and any of the parties fail to pay their proportionate share, then the other party or party shall have the right to file a lien on real property owned by the defaulting party; such lien shall be filed as provided by ORS 877.092 (Liens on Real Property).

It is further understood and agreed that in the event the parties do not maintain and make the necessary repairs to said roadway, the County shall have the right to maintain and cause the necessary repairs and charge such of the parties their proportionate share of the costs of such repairs.

It is the intent that this agreement run with the land and be binding upon the heirs, successors, executors, and assigns of First Party and any other party owning said lots until such time as the said roadway is accepted by Yamhill County as a duly dedicated public road with the county agreeing to maintain same.

In case suit or action is instituted to enforce any provision hereof, the losing party in said suit or action agrees to pay and save as the trial court may adjudge reasonable as attorneys fees to be allowed the prevailing party in said suit or action and if an appeal is taken from any judgment of decree of
such trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable to the prevailing party's attorney fees on such appeal.

1. WRITING WITNESSES the parties hereto, executed this instrument in duplicate, the date and year first above written.

COLLO PARK, INC.

[Signature]

ATTORNEY

[Signature]

STATE OF OREGON
COUNTY OF YAMHILL

The foregoing instrument was acknowledged on this 8th day of July, 1990, by [Signature].

Notary Public

[Signature]

The foregoing instrument was acknowledged on this 8th day of July, 1990, by [Signature].

Notary Public

[Signature]

STATE OF OREGON
COUNTY OF YAMHILL

I hereby certify that the instrument was acknowledged and duly executed by me as Yamhill County notary.

[Signature]

COUNTY CLERK
ARTICLES OF INCORPORATION
A NON PROFIT DISTRICT IMPROVEMENT COMPANY

Article 1: The name of the corporation shall be PAVINETT MOUNTAIN WATER IMPROVEMENT DISTRICT, and its duration shall be perpetual.

Article 2: The purpose or purposes for which the corporation is organized is a nonprofit domestic water supply for the benefit of the party or parties owning real property or having an interest therein in a subdivision known as PAVINETT MOUNTAIN ESTATES, as per Subdivision Plat filed August 30, 1990 in Volume 13, Page 27, Plat Book 3, Page 2697 records of Yamhill County, Oregon, the present land under the same to be divided into lots, all of such land being at approximately twenty (20) acres each as per legal attached herein.

Article 3: The corporation shall be a nonprofit corporation and have the authority, rights and obligations as provided for in ORS 554.020.

Article 4: That the stockholders and members of the corporation shall consist of those provided for in ORS 554.070.

Article 5: The board of directors shall consist of not less than one person, namely:

STEVEN L. JERDE
21659 Dabate Circle, Co. U.
Tualatin, OR 97062

who shall serve as a director for a period of one year and then an election of the board of directors shall be held on an annual basis with each land owner having one vote and a director shall be elected by a majority vote and all subsequent board of directors shall be appointed and/or elected and shall have the authority and be controlled by the provisions of ORS 554.140 and subsections thereof and ORS 554.070 through and including ORS 554.350.

Article 6: The address of the principal office of the corporation is 011569

259 Northwest Alder
Dundee, OR 97115

ARTICLES OF INCORPORATION

STATE OF OREGON
COUNTY OF YAMHILL

I hereby certify that this instrument was received and duly recorded by me, a Yamhill County recorder.

Instrument No.

CHARLES STEARN
COUNTY CLERK
Article 8: All revenue and income of such corporation, from whatsoever source, shall be received, held, used and expended exclusively for payment of the cost and expense of the improvements and the maintenance of same and the payment of indebtedness, interest, cost and expense of the corporation incurred therein, and for the operation, maintenance and necessary expense of such corporation in the conduct of its business for the purposes thereof as stated in the articles of incorporation according to law.

Article 9: Name and address of the incorporator:

STEFAN L. JENSEN
7406 Sahara Circle, S.W.
Tulalip, WA 98271-0002

Article 10: Resolution

[Signature]

[Printed Name]

[Title]

Person to contact about this filing:

JACK C. HULSEN, JR.
Attorney at Law
117 E. First Street
Snohomish, WA 98290
1-563-528-1133

STATE OF OREGON, County of Yamhill, ss.

On this 15th day of November, 1990 personally appeared STEFAN L. JENSEN, who being duly sworn did say that he is land owner and incorporator of PARRETT MOUNTAIN WATER IMPROVEMENT DISTRICT, a non profit district improvement company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and that he acknowledged said instrument to be its voluntary act and deed.

[Signature]

[Comm. expires: 11-16-96]

Page 2 - Articles of Incorporation

JACK C. HULSEN, JR.
Attorney at Law
117 E. First Street
Snohomish, Washington
1-563-528-1133
EXHIBIT "A"

Part of Sections 23 and 24, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

Beginning at the Northwest corner of Section 23, of said Township and Range; thence East 663.2 feet; thence South 337.4 feet to a point on the North line of Lot 23, Chehalis Uplands No. 2; thence South 89°44'41" West 440.3 feet to the Southeast corner of that tract of land in contract to Michael Douglas and Lavonne M. Douglas, husband and wife, recorded October 18, 1971, in Film Volume 104, Page 1828, Deed and Mortgage Records; thence North along the East line of the Douglas tract, 484.2 feet to the Northeast corner thereof; thence West 267.0 feet to the Southeast corner of that tract of land in contract to Bruce A. Trout and Marilyn L. Trout, husband and wife, recorded October 20, 1975, in Film Volume 108, Page 1613, Deed and Mortgage Records; thence North 400 feet to the Northeast corner of the Trout tract; thence West 483.95 feet to the Southeast corner of that tract of land conveyed to James Darby and Betty Darby in deed recorded November 20, 1972, in Film Volume 87, Page 723, Deed and Mortgage Records; thence North along the East line of the Darby tract, 197.5 feet to the Northeast corner of said tract; thence West 50 feet to the Southeast corner of the tract of land conveyed to Richard G. Clay and Janice M. Clay, husband and wife, in deed recorded June 9, 1972, in Film Volume 84, Page 954, Deed and Mortgage Records; thence North along the East line of the Clay tract, 263.4 feet to the Northeast corner thereof; thence East 267.36 feet to the point of beginning.
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PARRETT MOUNTAIN ESTATES, YAMHILL COUNTY, OREGON.

THIS DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PARRETT MOUNTAIN ESTATES, YAMHILL COUNTY, OREGON (the "Declaration") is hereby made and executed this 25th day of June, 1990, by Steve Jensen, P.O. Box 23-1892, Tigard, Oregon 97223, (the "Developer").

WITNESSETH:
WHEREAS, Developer is the owner of all that certain real property located in Yamhill County, Oregon and legally described as Lots 1 through 8, PARRETT MOUNTAIN ESTATES has been platted and designated as PARRETT MOUNTAIN ESTATES according the the map and plat thereof on file with and in the official records of Yamhill County, Oregon.

WHEREAS, Developer desires to subject PARRETT MOUNTAIN ESTATES to the conditions, covenants and restrictions contained herein for the benefit of PARRETT MOUNTAIN ESTATES and its present and subsequent Owners.

NOW, THEREFORE, Developer hereby declares PARRETT MOUNTAIN ESTATES is and shall be held upon and conveyed subject to the covenants, conditions, restrictions, reservations and charges hereinafter set forth.

ARTICLE I - DEFINITIONS.

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

A. "Lot" shall mean and refer to any of the numbered parcels shown on any recorded subdivision map or plat of PARRETT MOUNTAIN ESTATES, or any additional property adjacent to PARRETT MOUNTAIN ESTATES which Developer makes subject to the terms hereof.

B. "Owner" shall mean and refer to the Owner of record, whether one or more persons or entities, of an interest in and to any Lot which is part of PARRETT MOUNTAIN ESTATES, including contract sellers, but excluding those having such interest merely to secure performance of an obligation. (Collectively "Owners").

C. "Street" shall mean and refer to any street, public way, highway, cul-de-sac or other thoroughfare providing a means of access and shown on any recorded subdivision map or plat of PARRETT MOUNTAIN ESTATES.

D. "Design Review Committee" shall mean and refer to the Developer, its agents, employees and appointees, until the earlier of seventy-five percent (75%) of the Lots in PARRETT MOUNTAIN ESTATES are conveyed to Owners or January 1, 1994, at which time the Design Review Committee shall be comprised of not less than three (3) Owners of Lots in PARRETT MOUNTAIN ESTATES to be selected by majority vote of all owners of lots in PME on the second Thursday of February of each year. Committee members will be elected to serve a term of two years.

E. "House shall mean and refer to a detached 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.
ARTICLE II - COMMON SCHEME RESTRICTIONS.

The following restrictions are hereby imposed as a common scheme upon each Lot of PARRETT MOUNTAIN ESTATES for the benefit of every other Lot in PARRETT MOUNTAIN ESTATES and may be enforced by any Owner in or the Developer of PARRETT MOUNTAIN ESTATES:

A. No Lot shall be used for any purpose other than for the construction and occupancy of a House thereon and for residential purposes thereof.

B. No animals, livestock, poultry or fowls of any kind shall be raised, kept or permitted upon any Lot or in any part of PARRETT MOUNTAIN ESTATES except domestic dogs, cats, horses and caged pet birds provided such are not a nuisance to any resident within PARRETT MOUNTAIN ESTATES. Caged pet birds shall be kept within Houses. Horses shall be kept within an appropriate structure constructed for the specific purpose of housing said animals provided such are not nor become a nuisance to any resident within PARRETT MOUNTAIN ESTATES. All dogs, cats, horses and birds are not to be kept, bred or raised for commercial purposes or be in unreasonable numbers.

C. No Lot or any area in or part of PARRETT MOUNTAIN ESTATES shall be used for the purpose of engaging in, taking therefrom or production therefrom, gas, oil or any other hydrocarbon or mineral substance.

D. No noxious or offensive activity shall be permitted upon any Lot or in any area or part of PARRETT MOUNTAIN ESTATES, 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 PARRETT MOUNTAIN ESTATES as a high-class residential neighborhood.

E. No House or any building or structure shall be occupied in any manner while under the course of original construction or until it complies with all governmental standards for occupancy and use as a residential structure. All construction activity of any type or kind within PARRETT MOUNTAIN ESTATES and upon any Lot or any area in or part thereof shall be prosecuted diligently an continuously from the time of commencement until full completion. All exterior and visible portions of all Houses, buildings, fences, walls or other structures placed on any Lot, in any area in or part of PARRETT MOUNTAIN ESTATES shall be constructed of new and high-grade materials, unless the use of materials that are not new or other than high-grade have been specifically approved by the Design Review Committee. No Houses, buildings or structures constructed elsewhere shall be moved onto or placed upon any Lot, any area or part of PARRETT MOUNTAIN ESTATES without the express written approval of the Design Review Committee. This provision shall not prohibit or restrict the erection, installation, movement and use of temporary trailers or structures provided such are exclusively incidental to the sale of Lots and construction and sales of Houses upon any Lot, any area in or part of PARRETT MOUNTAIN ESTATES provided such have been specifically approved by the Developer.
F. No trucks rated in excess of 1 ton, heavy or light equipment (excluding typical non-commercial landscaping maintenance equipment) or any commercial vehicles shall be used, placed, erected, constructed or maintained for any purpose on any lot or in any part of PARRETT MOUNTAIN ESTATES including the streets or access ways unless completely enclosed or screened from public view. This restriction shall not prohibit or restrict trucks or commercial vehicles from making pickups or deliveries within PARRETT MOUNTAIN ESTATES nor shall this restriction prohibit or restrict trucks or commercial vehicles that are necessary for the construction of Houses, other buildings or future development by the Developer to include but not limited to road construction, land clearing, tree removal etc., or the maintenance thereof within PARRETT MOUNTAIN ESTATES. Activity or usage in connection with construction projects shall be limited to later than 7am and prior to 6pm of Monday through Saturday 8am to 5pm Sundays of any week.

G. No personal property such as a trailer, recreational vehicle, boat, camper unit or tent shall be placed, stored or parked on any lot, or in any part of PME for any period of time in excess of 14 days in any calendar year except such personal property owned by a lot owner may be placed or stored in an area of the lot that does not lie between the front or side of any house and the public street and in such a manner that it is not a nuisance to any owner or will detract from the value of PME. No inoperable automobile, inoperable boat or bus converted RV shall be placed, stored or parked on any lot, or in any part of PME at any time unless enclosed or screened from public view.

H. No motor-cycle, All Terrain Vehicle or any other motorized recreational vehicle shall be operated on any Lot, or in any part of PARRETT MOUNTAIN ESTATES except on Streets and then only as a means of transportation and does not become an annoyance to any other owner of any other Lot in PARRETT MOUNTAIN ESTATES.

I. Television, radio aerials or antennas shall not be permitted upon any Lot, House or any part of or area in PARRETT MOUNTAIN ESTATES. Satellite receivers and dishes shall be permitted upon any Lot, House or any part of or area in PARRETT MOUNTAIN ESTATES only if such are screened from view of any Street. All utilities shall be installed underground.

J. No Lot, or area in or part of PARRETT MOUNTAIN ESTATES shall be used or maintained as a dumping site or repository 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 Street within PARRETT MOUNTAIN ESTATES for not more than twenty-four (24) hours 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 not cause or be any form of nuisance to any resident in PARRETT MOUNTAIN ESTATES. Trimings, cuttings and like debris may be deposited 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 PARRETT MOUNTAIN ESTATES.

K. No Lot, or areas in part of PARRETT MOUNTAIN ESTATES shall have a clothesline or other such similar device or structure located as to be visible from any Street in PARRETT MOUNTAIN ESTATES. Mailboxes, newspaper tubes, street address and name signs shall confrom to and comply with a uniform design, color and materials plan and scheme selected by the Developer. No changes or alterations to such scheme are permitted without the prior consent of the Design Review Committee.
ARTICLE III - SPECIFIC BUILDING RESTRICTIONS

Section 1. No House, garage, fence, wall or other structure or building upon any Lot, or in any area or part of PARRETT MOUNTAIN ESTATES shall be erected or constructed unless and until a complete set of plans and specifications therefor has been submitted to, reviewed and approved in writing by the Design Review Committee. Said plans and specifications shall include, but not necessarily be limited to, the exterior color scheme, exterior materials, landscaping of the house, building or structure to be erected or constructed that is visible from any Street and be in sufficient detail so as to permit a reasonable determination of the nature, style and finish of the complete structure. Plans should also include all areas of the Lot that are to remain in their native state.

Section 2. No construction or other work on, alterations to, or activity related to such construction or other work on or to any House, building or structure on, or to be erected or constructed on any Lot, or in any area in or part of PARRETT MOUNTAIN ESTATES shall be undertaken unless and until the Design Review Committee has specifically approved such work and authorized its commencement in writing. The Owner, its contractor, subcontractors, agents, employees, guests and invitees, shall comply with any and all governmental regulations, codes and ordinances concerning such work and hereby indemnify and agree to hold the Design Review Committee harmless from any claim, loss or liability, including reasonable attorneys' fees, arising from or relating to such work.

Section 3. In the event the Design Review Committee or its designees and agents fail to approve or disapprove any submission made in accordance with the provisions of this Article within thirty (30) days after such submission, approval will not be required and the provisions of this Article will be deemed to have been fully complied with.

Section 4. Any agent, officer, employee, or designee of the Design Review Committee may, after reasonable notice and during normal business hours or at any other reasonable time, enter upon and inspect any and all construction activity or maintenance work to determine compliance with this Article and this Declaration.
Persons conducting such inspections shall not be deemed to be guilty of trespass in the course of performing such duties or other activities related thereto.

Section 5. The Design Review Committee may cause any construction or maintenance work or activity not specifically authorized by this Article or not being performed in strict compliance with the terms or conditions of prior authorization or approval to be terminated immediately, or changes or corrections made as to make such construction or maintenance work comply with the terms and conditions of such prior authorization or approval. All Owners, their contractors, subcontractors, agents and employees do hereby acknowledge the right of the Design Review Committee to terminate such construction or maintenance work, to direct owner to order changes or modifications thereto and owner agrees to respond to requests for changes or corrections to comply with objections of the Design Review Committee.

Section 6. The following standards shall apply to and be enforced for any House, building or structure erected, constructed or maintained in PARRETT MOUNTAIN ESTATES:

A. Roof Materials: The exterior surfaces of the roofs of all Houses shall be cedar, shake, or tile materials.
B. Exterior Siding Materials, Trim and Other Features: The principal exterior surfaces, except roofs and windows, of all houses in PARRETT MOUNTAIN ESTATES shall be comprised or constructed of cedar, fir, brick, stucco, L-P Interior-Scal or equivalents thereof. In no event shall any exterior siding material that is principally comprised or constructed of plywood be applied to the exterior surface of any house, accessory building or other structure in PARRETT MOUNTAIN ESTATES. Exterior trim, doors, railings, decks, eaves, gutters and exterior finish of garages and other accessory buildings shall be designed, built and maintained so as to be compatible and in harmony with the structure they adjoin.

C. Windows: The frame materials used for windows in all houses shall be composed of and constructed with materials and finished in such a manner so as to be compatible and in harmony with the house in which such windows are installed. In no event may any window frame or divider materials be unfinished or not painted or anodized in a manner and color acceptable to the Design Review Committee.

D. Nature of Construction: All houses erected or constructed in PARRETT MOUNTAIN ESTATES shall be of "double-wall" construction and utilize construction materials and procedures consistent therewith.

E. Landscaping: Not more than 6 months after the substantial completion of any house erected or constructed in PARRETT MOUNTAIN ESTATES, the yards of the Lot upon which said house has been erected or constructed that are visible from any Street, shall be fully and completely landscaped in accordance with the plan for such landscaping submitted to and approved by the Design Review Committee according to the provisions of this Article. Not more than twelve (12) months after the substantial completion of any house erected or constructed in PARRETT MOUNTAIN ESTATES the yards of the Lot upon which House has been erected or constructed that are not visible from any Street shall be fully and completely landscaped, except where portions of the Lot that remain untouched during erection or construction or to remain in their natural state as indicated in the construction work submitted plan and specifications. No review or approval of the non-visible yard landscaping by the Design Review Committee is required. At all times after substantial completion of the construction of a House on a Lot in PARRETT MOUNTAIN ESTATES and before the installation of landscaping, all Yards shall be maintained so as not to be offensive in appearance nor cause of present any sort or form of hazardous or dangerous condition. In the event of undue hardship caused by weather conditions, reasonable extensions of the time required to comply with these provisions regarding the installation of landscaping may be granted upon written approval of the Design Review Committee. All landscaping installed in and on any Lot in PARRETT MOUNTAIN ESTATES shall have, as some portion thereof and not necessarily limited to, a grass lawn together with trees, shrubs and other plantings as appropriate. In addition, the landscaping plan and the elements thereof for any Lot in PARRETT MOUNTAIN ESTATES shall be in harmony and be consistent with the landscaping previously installed in and on other Lots in PARRETT MOUNTAIN ESTATES. Additional clearing and tree removal is not to be restricted by this article.

F. Fences: Any and all fences to be erected or constructed in, on or around any Lot in PARRETT MOUNTAIN ESTATES visible from any Street shall be first reviewed and approved by the Design Review Committee prior to installation. No fencing shall be constructed that blocks or impedes drainage ways. No chain-link fences or fencing materials may be used in any locations facing any Street, except PARRETT Mountain Road. All other fencing, such as interior fencing to enclose patios, screen trash receptacles, support arbors and the like shall be of a type, style, finish and color so as to be compatible and in harmony with the House to which they are adjacent. To the fullest extent possible, all fences shall be of the "good-neighbor" style and shall be painted or stained immediately after installation and maintained properly and in a manner consistent with the standards for maintenance as set forth in this Declaration.
G. Minimum Area of Houses: The total square footage of any House excluding open porches, decks, and garage shall not be less than 2,000 Square Feet. The minimum square footage of the main floor of any multiple story House shall not be less than 1,400 Square Feet.

H. Set Backs From Property Lines: Minimum set backs on all Lots in PARRETT MOUNTAIN ESTATES is thirty (30) feet from all property lines. The only exceptions are:

1. The setback on the North property line running East and West of Lot 3 which is fifteen (15) feet.
2. Lot 6, fifteen (15) foot side setbacks.
3. The setback for Lot 8 is one hundred forty (140) feet from the South property line that runs East and West.

I. Height Restrictions: Height restrictions apply to specified Lots as follows:

1. Lot 5: Eleven (11) feet above highest point of Street parallel to property.
2. Lot 6: Ten (10) feet above highest point of Street that parallels property line.

3. Lot 7: Nine (9) feet above the first sixty-five (65) feet North of the South property line from Southeast corner running North.

J. Design and Style of Houses, Buildings and Structures: Houses, buildings, structures and improvements or alterations thereto shall be constructed and maintained utilizing high-quality materials and workmanship and be of such character, style and design as to be in harmony with surrounding houses and structures and the general area. All Houses, buildings or structures erected, constructed or maintained in PARRETT MOUNTAIN ESTATES shall comply in all respects with the provisions of this Declaration and all ESTATES shall comply in all respects with the building codes, ordinances and regulations including, but not necessarily limited to, the Uniform Building Code and the applicable codes and ordinances of Yamhill County and the State of Oregon.

K. Guidelines and Discretion: The Design Review Committee shall have the authority to promulgate and issue and thereafter amend from time to time, design guidelines which shall be binding upon all Owners of Lots as set forth herein. The Design Review Committee, in its sole discretion, may withhold approval of any proposed improvements or other matter under their jurisdiction if such proposed improvement would be inconsistent with the provisions contained herein or would be incompatible or not in harmony with the design standards of and for PARRETT MOUNTAIN ESTATES. Considerations such as size, shape, size, color, design, height, impairment of view and other effects on the enjoyment of other Owners of Lots, as well as and other factors which the Design Review Committee believes to be relevant, may be taken into account by the Design Review Committee in determining whether or not to approve any proposed improvement or other matter under their jurisdiction.

L. Non-waiver: Approval or disapproval by the Design Review Committee of any matter proposed to them or within their jurisdiction shall not constitute a precedent or waiver or impair in any manner whatsoever the right of the Developer or the Design Review Committee to grant or withhold approval as to any similar matter thereafter proposed or submitted for approval.
M. No Liability: The Design Review Committee, nor any member thereof, shall be liable to any Owner, occupant, or other person or entity for any damage or loss suffered or claimed as a result of any action or failure to act on the part of the Design Review Committee.

ARTICLE IV - EASEMENTS.

Developer hereby grants and reserves unto itself, its successors and assigns, and any and all others that will or may conduct or perform public or quasi-public utility services or functions, all those easements indicated upon the official map and plat of PARRETT MOUNTAIN ESTATES recorded in the records of Yamhill County, Oregon, for the purposes noted thereon and as follows:

A. Ingress, egress, installation, repair and maintenance of all utilities, including, but not limited to, wells, water, storm and sanitary sewer, gas, telephone, electricity, and a master or cable television system;

ARTICLE V - SIGNAGE.

Section 1. 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 PARRETT MOUNTAIN ESTATES except one (1) sign not larger than sixteen (16) inches by twenty-four (24) inches advertising such House for sale.

Section 2. Section 1 of this Article shall not prohibit, limit or restrict Developer in any way from erecting or constructing or authorizing the erection and construction of any sizes or types of signs indicating the name, feature or availability of Lots or Houses within PARRETT MOUNTAIN ESTATES as being for sale, lease or rent.

ARTICLE VI - MAINTENANCE.

Section 1. Each Owner of any Lot in PARRETT MOUNTAIN ESTATES shall maintain the condition of said Lot and any and all improvements thereon including, without limitation, any House, building, structure, landscaping, sidewalks, driveways, trees, shrubs or other vegetation thereon in a reasonably clean, neat, attractive and visually pleasing manner so as not to detract from PARRETT MOUNTAIN ESTATES being a high-class residential neighborhood. All planted shrubs, trees or other vegetation shall be maintained so as not to restrict or impede the views of any Owner of any other Lot in PARRETT MOUNTAIN ESTATES.

Section 2. The duty of every Owner of any Lot in PARRETT MOUNTAIN ESTATES as to maintenance shall extend and include the area between the property line of any Lot and the nearest curb or improved Street, including utility easements.

Section 3. The owners of all lots in PME shall have the right to, upon the giving of thirty (30) days written notice and having received no response from the owner of any lot who fails to comply with the standards and provisions for maintenance and having knowledge that said owner has in fact received such notice, enter into said lot and accomplish such maintenance to landscaping such as mowing unsightly areas or pruning of planted trees or bushes that impede views and such other work as is reasonably necessary to effectuate compliance with standards for landscaping maintenance. Costs incurred for such repairs or work shall be paid immediately by the non-complying owner after presentation of a billing. Non-compliance with standards and provisions in connection with a residential structure are to be reported to the PME Design Review Committee which will have the responsibility of effecting compliance.
ARTICLE VII - AMENDMENTS OR MODIFICATIONS

Section 1. This Declaration may be amended or modified by an instrument signed by not less than seventy-five percent (75%) of the Owners of Lots in PARRETT MOUNTAIN ESTATES after seventy-five percent (75%) of the Lots in PARRETT MOUNTAIN ESTATES have been conveyed to Owners by the Developer.

Section 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.

ARTICLE VIII - PHASING OF DEVELOPMENT.

If the Developer elects to develop additional or other phases of PARRETT MOUNTAIN ESTATES, such development may be in any number of phases containing any number of Lots and in such manner as Developer may so elect. For the purpose of interpreting and applying the provisions of this Declaration, the number of Lots in PARRETT MOUNTAIN ESTATES shall not be any particular phase or combination of phases, but shall be the entire number of Lots undertaken by Developer.

ARTICLE IX - DURATION

The covenants, conditions and restrictions of this Declaration as 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 PARRETT MOUNTAIN ESTATES, their legal representatives, heirs, successors and assigns for a term of twenty (20) years from the date this Declaration is recorded in the official and public records of Yamhill County, Oregon. After such date, this 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 and instrument terminating this Declaration 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.

ARTICLE X - OTHER PROVISIONS.

Section 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. Invalidation 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.

Section 2. The provisions of this Declaration shall bind and inure to the benefit of and be enforceable by the Developer, the Design Review Committee and the Owner or Owners of any Lot or Lots, their legal representatives, successors, heirs and assigns. Failure by the Developer, the Design Review Committee or any 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.

Section 3. Any and all of the rights, powers and reservations of Developer contained herein may be assigned by Developer without any diminution of such rights, powers and reservations and without the prior consent of any Owner or Owners of any Lot or Lots in PARRETT MOUNTAIN ESTATES.
Section 4. 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.

Section 5. Neither Developer nor any successor, assign, employee, agent or other representative of Developer shall be liable to any Owner or to any other person for its enforcement or failure to enforce any provision of this Declaration. Each owner, by acquiring such Owners interest in a Lot, agrees to not bring any action or suit against Developer nor any successor, assign, employee, agent or other representative of Developer, and not to seek to recover any such damages or to seek any other relief, including, without limitation, equitable relief, by reason of any enforcement or failure to enforce any provision of this Declaration. Each Owner shall and does, by taking title to or occupying any portion of any Lot, agree to defend, indemnify and hold Developer and Developers successors, assigns, employees, agents and other representatives harmless from any claim, loss damage, cost or expense, including, without limitation, reasonable attorney's fees arising out to the use, operation, ownership, occupancy or condition or state of repair of any Lot owned by such Owner.

Section 6. The common expenses for maintenance of PARRETT MOUNTAIN ESTATES shall be assessed equally to the lot owners prior to the expenditure of a common expense. The Design Review Committee shall notify all Lot owners of the circumstances and to provide all Lot Owners with the opportunity to vote on the issue. Owners will be entitled to one vote for each Lot owned. A majority vote of the Owners shall be required prior to any such assessment and expenditure.

Section 7. Mortgage Protection.

A. Notice. Upon written request to the Design Review Committee identifying the name and address of the Mortgagor and the legal description of the Lot, any Mortgagor shall be entitled to receive written notice of all meetings of the Association and shall be permitted to designate a representative to attend all such meetings.

B. Consent Required. Except upon the approval of Mortgagor 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:

1. Voting;
2. Assessment, assessment liens, or subordination of liens;
3. Responsibility for maintenance and repair of the several portions of the Property;
4. Imposition of any right of first refusal or similar restriction of the right of and Owners to sell, transfer, or otherwise convey such Owners Lot;
5. Any provisions which are for the express benefit of Mortgagors.

C. Termination. The approval of the holders of Mortgages holding Mortgages on Lots which have at least seventy-five percent (75%) of the votes of Lots which are subject to Mortgages shall be required for any termination of this Declaration. 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 herein.
D. Limitation. The provisions of subparagraph B are intended only to be a limitation on the right of the Owners to amend the Declaration, 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 in addition to Article VIII.

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

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed as of the date first written above.

[Signature]

STEVE JENSEN

STATE OF OREGON
County of Yamhill

The foregoing instrument was acknowledged before me this 15th day of November, 1990, by Steve Jensen.

[Signature]

BY
Notary Public
IN AND FOR THE STATE OF OREGON
My Commission Expires 03-17-93

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EXHIBIT "A"

Part of Sections 22 and 23, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

Beginning at the Northwest corner of Section 22, of said
Township and Range; thence East 662.2 feet; thence South 1231.4
feet to a point on the North line of Lot 22, Chehalem Uplands No.
2; thence South 89° 45' East 430.2 feet to the Southeast corner of
that tract of land in contract to Michael Douglas and Lavuna M.
Douglas, husband and wife, recorded October 28, 1972, in Film
Volume 106, Page 1418, Deed and Mortgage Records; thence North
along the East line of the Douglas tract, 431.2 feet to the
Northeast corner thereof; thence West 247.0 feet to the Southeast
corner of that tract of land in contract to Bruce A. Trout and
Marlyn Larse Trout, husband and wife, recorded October 25, 1975,
in Film Volume 106, Page 1413, Deed and Mortgage Records; thence
North 360 feet to the Northeast corner of the Trout tract; thence
West 185.38 feet to the Southeast corner of that tract of land
30, 1971, in Film Volume 87, Page 703, Deed and Mortgage records;
thence North along the East line of the Derby tract, 187.6 feet
to the Northeast corner of said tract; thence West 50 feet to the
Southeast corner of the tract of land conveyed to Richard C. Clay
and Janice R. Clay, husband and wife, in Deed recorded June 9,
1972, in Film Volume 84, Page 954, Deed and Mortgage Records;
thence North along the East line of the Clay tract, 231.5 feet to the
Northeast corner thereof; thence East 237.36 feet to the
point of beginning.

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STATE OF OREGON

COUNTY OF YAMHILL

I hereby certify that this instrument was received and duly recorded
by me in Yamhill County records.

Affiant

T. Miller

Charles G. Miller,

County Clerk

11-4-90