COVENANTS, CONDITIONS AND
RESTRICTIONS–VALLEY’S EDGE SUBDIVISION–Phase 1

AFTER RECORDING, RETURN TO:

Ray Kauer
7304 S. Country Drive
Aumsville OR 97325

COVENANTS, CONDITIONS AND
RESTRICTIONS
VALLEY’S EDGE SUBDIVISION
Phase 1
(Lots 1 to 27)

These covenants and restrictions apply to lots 1 to 27 located in VALLEY’S EDGE SUBDIVISION, Phase 1, Yamhill County, Oregon, (collectively “property”, with individual parcels also referred to as “lot”). They are enforceable by owners of the “benefitted properties”, which are defined as lots affected, but so long as the undersigned (or any of its managers, Ray Kauer, Howard Aster or Barry House) together or individually own at least one acre of the property described in Exhibit “A” (or own or hold an option or right of first refusal to purchase on at least one acre of property described in Exhibit “B”, then they are also enforceable by each member of the group consisting of KHA Properties, LLC, an Oregon limited liability company, R&B Kauer Investments, LLC, an Oregon limited liability company, B.R. House, LLC, an Oregon limited liability company, Howard N. Aster or Margaret E.B. Aster, who owns property described in Exhibit “A” or owns property or an option to purchase property described in Exhibit “B”.

The undersigned owners of all the real property included in the VALLEY’S EDGE SUBDIVISION, Phase 1, a Plat duly recorded Jan. 4, 2007, in 200700153, Plat Records of Yamhill County, Oregon, together with the property described in Exhibit “A”, adopt the following Covenants, Conditions and Restrictions for the purpose of enhancing and protecting the value, desirability and attractiveness of the benefitted property described above.

These Covenants, Conditions and Restrictions shall constitute the Covenants to run with the land and shall be binding upon all persons having or acquiring a right, title and interest in the property or any part of the property, and shall inure to each owner of benefitted property area and that owner’s heirs, successors and assigns.

1. GENERAL RESTRICTIONS

a. No building shall be constructed other than a single-family permanent dwelling for private use and other outbuildings having uses related to those uses, such as garages, carports, private greenhouses, a swimming pool or other types of home recreational facilities. For purposes of the preceding sentence, a “permanent dwelling” shall not include a prefabricated modular residential structure which is transported to any property in a state of substantial prefabrication and then permanently affixed to a ground level foundation or a manufactured dwelling as presently defined in ORS 446.003(26)(a). All outbuildings must be of good construction and of design compatible with the associated dwelling. No lot may contain more than one owner-occupied single-family dwelling and the necessary outbuildings for permitted uses. The only non-residential uses allowed on the property
are home occupations, if they meet all applicable laws, rules and regulations, (including those of the City of McMinnville applicable in this zone) and otherwise comply with these Covenants, Conditions and Restrictions.

b. All construction on any lot must be completed and the final occupancy permit issued by the City of McMinnville within one (1) year from the issuance of a building permit.

c. At all times, even prior to construction, lots will be maintained in an attractive condition. Weeds and grass mowed will be mowed regularly on unimproved lots.

d. All landscaping on any lot must be substantially completed within one (1) year from completion of construction or within (2) years from the issuance of a building permit, which ever is sooner.

e. No dwelling may be higher than two (2) stories above ground level. In addition, maximum height shall be no more than thirty-five (35) feet, measured from the ridge line of the roof to the uphill side grade level.

f. The minimum size for a dwelling, exclusive of garages, carports, outbuildings, covered walks and open porches, is ONE THOUSAND FOUR HUNDRED (1,400) square feet. Lots 4A and 4B are, however, single-family common wall lots. It is permissible to build a common wall unit on these lots. The minimum size for a dwelling on either Lot 4A or 4B, exclusive of garages, carports, outbuildings, covered walks and open porches, is ONE THOUSAND TWO HUNDRED (1,200) square feet.

g. All residences will have a 2 car garage or larger, the minimum ground floor area of which will be FOUR HUNDRED (400) square feet, except that each residence on Lots 4A and 4B is only required to have a single car garage, the minimum ground floor area of which will be TWO HUNDRED (200) square feet.

h. Exterior walls will be double wall construction on all sides of the house and will have lap siding, stone (natural or cultured), brick or stucco finish. No dwelling shall be constructed with metal siding, vinyl siding or T-111 type siding.

i. Roofing will be 30 year architectural style composition, cedar, tile or comparable. Metal roofing is not allowed.

j. House colors will be natural earth tones or calm colors, not bright or vivid shades.

k. No chain link or other metal fencing will be used on lots, except ornamental iron which is acceptable. This provision does not preclude fencing not ordinarily visible from the street or from the ground level of adjoining lots such as dog runs or protective fencing around spas or pools.

l. No driveways will enter either Redmond Hill Road or West Second Street.
m. Each lot and its improvements shall be maintained in a clean and attractive condition, in good repair, and in such fashion as not to create a fire hazard or nuisance.

n. No short wave antennas or large (greater than 1 meter in diameter) satellite dishes will be placed on properties or lots. To the extent allowed by applicable law, allowed satellite dishes will be located on the property to have the least visual impact on the neighbors, consistent with proper functioning of the dish. No antennas may extend beyond the highest point on a house, to the extent a restriction such as this is allowed by applicable law.

o. All garbage, trash, cuttings, refuse or garbage containers, fuel tanks, clothes drying apparatus or lines, heating and cooling equipment, and other service facilities shall be screened from view from neighboring lots (ground level) and roads.

p. No offensive activity shall be carried on in any lot, nor shall anything be placed or constructed on any lot, or anything done on a lot which interferes with or jeopardizes the enjoyment of other lots or otherwise may become a nuisance or annoyance to the neighborhood. No garbage, trash, cuttings or refuse may be allowed to accumulate or remain on the lot.

q. No commercial advertising signs or billboards shall be placed or kept on any lot, except such signs as are normally used in connection with the sale of real property (including a model home) may be placed upon the lot of any owner desiring to sell. No political signs may be kept on a lot, except political signs erected not earlier than 60 days before the next scheduled election in which owners of property in the area are entitled to vote, which must be removed not later than 14 days after such election. In addition, such signs may be no larger than 18 inches by 24 inches.

r. No lot may be used as a place to raise animals of any kind except for a reasonable number of ordinary household pets, which shall be leashed or kenneled and not allowed to run at large. Allowed animals shall not be a nuisance to owners of other lots.

s. No recreational or commercial vehicles (excluding pickups and vans), trailers, boats, snowmobiles, motor homes, truck campers, or off-road vehicles may be kept on the property unless they are stored in a garage or not parked closer to the front of the lot than any portion of the house and they are stored behind a 6 foot high opaque fence. Pads and driveway approaches for allowed storage of such vehicles must be concrete. No such vehicles may be parked overnight on any street or road serving the property, except that, subject to City of McMinnville restrictions, for a maximum total such use of 14 days per calendar year, vehicles of guests of homeowners may be parked overnight. No heavy equipment or semi-tractors or trailers or flatbeds of any kind are allowed on the property, except as needed to construct or maintain buildings and improvements allowed by these covenants or temporarily for delivery of residential items.

t. Loading, unloading or cleaning of recreational or commercial vehicles (excluding pickups) may take place no more than 3 days in a row and no more than twice a month.
u. There shall not be stored, parked, or kept upon any lot in open and plain view any motor vehicle which is in a rusted, junked, partially dismantled, inoperative or abandoned condition. The owner of the vehicle shall remove it or store it in a building where it will not be visible from the street or other property.

v. All sites shall be equipped with closed containers for storage of garbage and other refuse between regular pickup dates. All containers shall be maintained in a clean, sanitary and rodent proof condition. No lot shall be used or maintained a dumping ground for rubbish, trash or garbage. All waste rubbish, trash or garbage shall only be kept in the closed containers for storage of garbage.

2. ENFORCEMENT

a. These restrictions shall be for the protection and benefit of each of the property owners or occupants of any portion of the benefitted property. Any such person shall have the right at law or in equity to enforce the restrictions. It is not implied nor at any time will Yamhill County or the City of McMinnville be responsible for the enforcement of these restrictions.

b. These restrictions shall run with the land and shall be binding on the owner or tenant of any or all of the land and all persons claiming by, through or under them until ten years from the recording of this document at which time these covenants shall be automatically extended for successive periods of ten years. The owners of at least two-thirds (2/3) of the benefitted properties may, at any time, agree in writing to change these covenants in whole or part, and such agreement is duly recorded in the Yamhill County real property records. Each legally subdivided or partitioned portion of the benefitted property shall entitle its owners to one vote.

c. Invalidation of any of these covenants, restrictions, or conditions by court order, judgment or decree shall in no way affect any of the remaining provisions which shall continue to remain in full force and effect.

d. If a suit or action (including an arbitration) is filed to enforce any of the terms of this agreement, the prevailing party shall be entitled to recover from the other party, in addition to the costs and disbursements provided by statute, any sum which a court (or arbitration tribunal), including any appellate court, may adjudge reasonable as attorney fees.

DATED this 8 day of December, 2006

KHA PROPERTIES, LLC

By ____________  ____________
Howard Aster, Manager  Raymond Kauer, Manager

By ____________
Barry House, Manager

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DRABKIN, TANKERSLEY & WRIGHT, LLC
P.O. Box 625; 701 N.E. Evans Street
McMinnville, Oregon 97128
(503) 472-0344
R&B KAUFER INVESTMENTS, LLC

By: Raymond Kauer
Manager

Howard N. Aster

By: __________________________
Manager

Howard N. Aster

B.R. HOUSE, LLC

By: __________________________
Manager

Margaret E.B. Aster

STATE OF OREGON

) ss
County of Yamhill

On the 8th day of December 2006 personally appeared Howard Aster, who, being first duly sworn, did say that he is a Manager of KHA PROPERTIES, LLC, an Oregon limited liability company, and that said instrument was signed in behalf of said company by authority of its members; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

[Notary Seal]

NOTARY PUBLIC FOR OREGON

STATE OF OREGON

) ss
County of Yamhill

On the 8th day of December 2006 personally appeared Raymond Kauer, who, being first duly sworn, did say that he is a Manager of KHA PROPERTIES, LLC, an Oregon limited liability company, and that said instrument was signed in behalf of said company by authority of its members; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

[Notary Seal]

NOTARY PUBLIC FOR OREGON

STATE OF OREGON

) ss
County of Yamhill

On the 8th day of December 2006 personally appeared Barry House, who, being first duly sworn, did say that he is a Manager of KHA PROPERTIES, LLC, an Oregon limited liability company, and that said instrument was signed in behalf of said company by authority of its members; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

[Notary Seal]

NOTARY PUBLIC FOR OREGON

Page 5 - COVENANTS, CONDITIONS AND RESTRICTIONS
DRABKIN, TANKERSLEY & WRIGHT, LLC
P.O. Box 625, 701 N.E. Evans Street
McMinnville, Oregon 97128
(503) 472-0344
STATE OF OREGON  

County of Yamhill  

On the 8th day of December, 2006, personally appeared Raymond C. Kauer, who, being first duly sworn, did say that he is a Manager of R&B Kauer, LLC, an Oregon limited liability company, and that said instrument was signed in behalf of said company by authority of its members; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

[Notary Public Seal]

MARY L. DENSOR
NOTARY PUBLIC FOR OREGON

STATE OF OREGON  

County of Yamhill  

On the 8th day of December, 2006, personally appeared Barry House, who, being first duly sworn, did say that he is the Manager of B.R. House, LLC, an Oregon limited liability company, and that said instrument was signed in behalf of said company by authority of its members; and he acknowledged said instrument to be its voluntary act and deed.

Before me:

[Notary Public Seal]

CAROL L. INGLES
NOTARY PUBLIC FOR OREGON

STATE OF OREGON  

County of Yamhill  

On December 8, 2006, personally appeared the above-named Howard N. Aster and Margaret E.B. Aster, who acknowledged that the foregoing instrument was their voluntary act and deed.

Before me:

[Notary Public Seal]

CAROL L. INGLES
NOTARY PUBLIC FOR OREGON
EXHIBIT A
Matt Dunckel & Assoc.
Land Surveyors
3765 Riverside Drive
McMinnville, OR 97128
Phone: 503-472-7904
Fax: 503-472-0367

Date: 2 Jan. 2007

VALLEY’S EDGE – Phase 1 – Legal Description

A tract of land in Section 19, Township 4 South, Range 4 West, and Section 24, Township 4 South, Range 5 West, City of McMinnville, Yamhill County, Oregon, being more particularly described as follows:

Beginning at the northwest corner of Lot 41 of WEST VALLEY ESTATES – Phase 1, which is on the west line of Parcel 1 of Yamhill County Partition Plat 2004-35; thence North 00°20’50” West 930.28 feet along the west line of said Parcel 1 which is also the west line of WEST VALLEY ESTATES – Phase 2 to the northwest corner of WEST VALLEY ESTATES – Phase 2; thence North 00°20’50” West 60.00 feet; thence North 89°44’58” West 60.68 feet to the beginning of a curve concave to the south having a radius of 1030.00 feet; thence westerly 251.14 feet along said curve (chord=South 83°16’58” West 250.51 feet) thence South 13°42’08” East 60.00 feet; thence South 14°29’28” East 80.12 feet; thence South 10°42’44” East 74.99 feet; thence South 06°35’47” East 74.99 feet; thence South 02°50’50” East 42.00 feet; thence South 00°47’28” East 54.13 feet; thence South 01°39’57” West 50.02 feet; thence South 00°20’28” East 628.87 feet to the centerline of Redmond Hill Road; thence South 89°10’41” East 254.17 feet along said centerline to the west line of WEST VALLEY ESTATES – Phase 1; thence North 00°20’50” West 101.39 feet along said west line to the point of beginning.
EXHIBIT B

Matt Dunckel & Assoc.
3765 Riverside Drive
McMinnville, Oregon. 97128
Phone: 472-7904
Fax: 472-0367

Date: 13 Dec. 2006

KAUER - Legal Description of Tax Lot 800 (160 Ac. more or less)

A tract of land in Section 24, Township 4 South, Range 5 West, Yamhill County, Oregon, being part of the John B. Davis Donation Land Claim No. 44 and the William C. Davis Donation Land Claim No. 69, and also being part of that tract of land described in deed from BARRY HOUSE and ROBERTA HOUSE, HOWARD N. ASTER and MARGARATE B. ASTER and RAYMOND C. KAUER and BARBARA M. KAUER to KHA PROPERTIES, LLC and recorded in Instrument 200322470, Yamhill County Deed Records, and being more particularly described as follows:

Beginning at a point that is North 36.415 chains from the southwest corner of said John B. Davis Donation Land Claim; thence South 89°10’43” East 3408.02 feet along the south line of said KHA PROPERTIES, LLC tract recorded in Instrument 200322470 to the southwest corner of VALLEY’S EDGE-Phase 1; thence North 00°20’28” West 628.87 feet along the west line of VALLEY’S EDGE-Phase 1; thence North 01°39’57”East 50.02 feet along said west line; thence North 00°47’28” West 54.13 feet along said west line; thence North 02°50’50 West 42.00 feet along said west line; thence North 06°35’47” West 74.99 feet along said west line; thence North 10°42’44” West 74.99 feet along said west line; thence North 13°42’08” West 60.00 feet to the northwest corner of VALLEY’S EDGE-Phase 1 and the beginning of a non-tangent curve concave to the south having a radius of 1030.00 feet; thence easterly 251.14 feet along said curve (chord= North 83°16’58” East 250.51 feet); thence South 89°44’58” East 48.72 feet to the southwest corner of HILLCREST- PHASE 5; thence North 00°40’13” East 267.78 feet to the southwest corner of HILLCREST PHASE 4; thence North 00°15’00” East 532.22 feet along the west line of HILLCREST PHASE 4; thence North 06°52’55” East 291.95 feet along said west line; thence North 20°40’09” East 224.52 feet along said west line; thence North 04°06’34” East 60.55 feet along said west line;
thence North 04°35'27" East 108.63 feet along said west line to the northwest corner of HILLCREST PHASE 4; thence North 89°55'14" East 87.28 feet along the north line of HILLCREST PHASE 4; thence South 04°31'24" West 64.21 feet along said north line; North 89°55'14" East 126.21 feet along said north line; thence South 61°40'46" East 52.10 feet along said line; thence North 89°32'11" East 117.10 feet along said line to the west line of HILLCREST PHASE 3; thence North 00°27'49" West 240.00 feet along said west line to the north line of said KHA PROPERTIES, LLC tract; thence North 89°06'31" West 50.3' feet along said north line; thence North 1.50 chains along said north line; thence North 89°30" West 8.71 chains along said line; thence North 00°45' East 6.25 chains along said line; thence South 89°45" West 24.89 chains along said line; thence South 690.73' along said line; thence West 28.25 chains along said line to the northwest corner of said KHA PROPERTIES, LLC tract; thence South 37.985 chains along the west line of said tract to the point of beginning.

EXCEPTING THEREFROM that tract of land described in deed to Yamhill County and recorded August 5, 1926 in Book 94, Page 461, Yamhill County Deed Records.

ALSO EXCEPTING that tract of land described in deed from BARRY HOUSE and ROBERTA HOUSE, and RAYMOND C. KAUSER and BARBARA M. KAUSER to DONALD and JEAN OLIVER and recorded Film Volume 309, Page 354, Yamhill County Deed Records.

ALSO EXCEPTING that tract of land described in deed from BARRY HOUSE and ROBERTA HOUSE, and RAYMOND C. KAUSER and BARBARA M. KAUSER to RICHARD and CHARLOTTE BORGEN and recorded Film Volume 309, Page 433, Yamhill County Deed Records.

ALSO EXCEPTING that tract of land described in deed to UNION LODGE NO. 43 A.F. and A.M. and recorded November 24, 1906 in Book 46 Page 571, Yamhill County Deed Records.
KAUER - Legal Description of Tax Lot 800 (160 Ac. more or less)

ALSO EXCEPTING that tract of land described in deed to LINFIELD COLLEGE, trustee of the RAYMOND C. KAUER and BARBARA M. KAUER Charitable Remainder Unitrust and BARRY W. HOUSE and ROBERTA M. HOUSE Charitable Remainder Unitrust and recorded December 27, 1995 in Instrument No. 199517375 and Instrument No. 199517376, Yamhill County Deed Records

ALSO EXCEPTING (MEKKERS Tract) the following described tract: Beginning at a point that is North 36.415 chains from the southwest corner of said John B. Davis Donation Land Claim; thence North 20.00 feet to the north line of the county road which is the TRUE POINT OF BEGINNING; thence East along the fence line bordering the county road 1471 feet to an aluminum pipe; thence North 37°19' West 450 feet to an aluminum pipe; thence North 44°27' West 316 feet to an aluminum pipe; thence West parallel with the county road 977.6 feet to a fence line now there, which is the west line of the John B. Davis Donation Land Claim; thence South along said fence line to the point of beginning.
VALLEY'S EDGE - Phase 1

Located in the SW 1/4 of Section 19, T. 4 S., R. 4 W. and the SE 1/4 of Section 24, T. 4 S., R. 5 W., W.M., William Davis Donation Land Claim No. 44, City of McMinnville, Yamhill County, OR

City of McMinnville File No. 5—06—05

DECLARATION

KNOW ALL MEN BY THESE PRESENTS that KHA PROPERTIES, LLC as the owner CITIZENS BANK, is the lien holder of the bonds represented on the attached map and more particularly described in the Surveyor's Certificate have caused said lots to be platted into lots, streets and easements as shown and noted on the attached map, and do hereby dedicate for the public use forever all street rights of ways and easements for the purposes shown and noted on the attached map.

RAYMOND C. KAUFER
Manager of KHA PROPERTIES, LLC

Acknowledgement

STATE OF OREGON

COUNTY OF YAMHILL

On this 5th day of December 2006, 2006, I, personally appear RAYMOND C. KAUFER in the capacity shown in the above Declaration, who being duly sworn, did say that he is the identical person named in the foregoing instrument and that he executed said instrument freely and voluntarily.

BARRY N. HOUSE
Manager of KHA PROPERTIES, LLC

Acknowledgement

STATE OF OREGON

COUNTY OF YAMHILL

On this 5th day of December 2006, 2006, I, personally appear BARRY N. HOUSE in the capacity shown in the above Declaration, who being duly sworn, did say that he is the identical person named in the foregoing instrument and that he executed said instrument freely and voluntarily.

KHA PROPERTIES, LLC

Notary Public Signature

Commission Number: 381145

My Commission Expires: June 11, 2008

NOTARY PUBLIC

KHA PROPERTIES, LLC

Notary Public Signature

Commission Number: 381145

My Commission Expires: June 11, 2008

SURVEYOR'S CERTIFICATE

I, Matt Dunckel, do hereby certify that I have correctly surveyed and marked with proper monuments the land hereon shown as VALLEY'S EDGE - Phase 1, the boundary of which is described as follows:

Beginning at the northwest corner of Lot 41 of WEST VALLEY ESTATES - Phase 1, thence North 00° 00' 50" West 80.00 feet along the west line of said Parcel 1 which is also the west line of WEST VALLEY ESTATES - Phase 2 to the northwest corner of WEST VALLEY ESTATES - Phase 2; thence North 00° 00' 50" West 60.00 feet; thence North 89° 14' 58" West 60.00 feet along the north line of said Parcel 1 which is also the west line of WEST VALLEY ESTATES - Phase 2; thence South 14° 29' 28" East 60.00 feet; thence South 105° 21' 4" East 74.99 feet; thence South 00° 33' 47" West 50.02 feet; thence South 00° 27' 28" East 62.87 feet to the centerline of Redmond Hill Road; thence South 89° 14' 58" East 55.17 feet along said centerline to the west line of WEST VALLEY ESTATES - Phase 1; thence North 00° 00' 50" West 101.39 feet along said west line to the point of beginning.

Matt Dunckel
Matt Dunckel & Assoc.
3765 Riverbend Drive
McMinnville, Oregon 97128
Phone: 503-372-7004
Fax: 503-472-0367
Email: matt@DunckelAssocs.com

This is an exact copy of the original plat of "VALLEY'S EDGE - Phase 1"

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