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RETURN TO: Bernard Corporation
c/o Tom Pickett
64865 Glacier View
Bend, OR 97701

84-4733

DECLARATIONS, RESTRICTIONS,
PROTECTIVE COVENANTS AND CONDITIONS VOL 48 PAGE 968
FOR
STARWOOD

This Declaration is made this 22 day of March,
1984, by the undersigned hereinafter referred to as "Declarant":

WHEREAS, Declarant is the Owner of certain real property
consisting of 27 lots in the Starwood Subdivision in the County
of Deschutes, State of Oregon, hereinafter referred to as "The
Property", more particularly described in Exhibit "A", attached
hereto and by this reference incorporated herein, and

WHEREAS, Declarant desires to subject said Property to
certain protective covenants, conditions, restrictions, reser-
vations, easements, liens and charges for the benefit of The
Property and its present and subsequent Owners as hereinafter
specified, and will convey the Property subject thereto,

NOW, THEREFORE, Declarant hereby declares that all of
the Property is and shall be held and conveyed upon and subject
to the easements, conditions, covenants, restrictions, and reser-
vations hereinafter set forth; all of which are for the purpose
of enhancing and protecting the value, desirability and attrac-
tiveness of the Property. These easements, covenants, restric-
tions, conditions and reservations shall constitute covenants to
run with the land and shall be binding upon all persons having
any right, title or interest in the described Property or in any
part thereof, their heirs, successors, and assigns, and shall
inure to each present and future Owner thereof.

-1- DECLARATION

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
40 N.W. GREENWOOD
P.O. BOX 1151
BEND, OREGON 97709-1151

ARTICLE I

DEFINITIONS

Whenever used in this Declaration, the following terms shall have the following meanings:

(1) "Association" shall mean the Starwood Property Owners Association, a non-profit corporation organized under the laws of the State of Oregon, its successors and assigns.

(2) "Common Area" shall mean all of the land shown by any recorded subdivision plat of the Property except (a) numbered lots, and (b) any portion of the Property dedicated to the public.

(3) "Declarant" shall mean the Bernard Corporation, an Alaska corporation, authorized to do business in Oregon, its successors and assigns.

(4) "Lot" shall mean any numbered parcel of land shown by any recorded subdivision plat of the Property, with the exception of Common Areas as heretofore defined.

(5) "Member" shall mean all those Owners who are members of the Association as provided in Article III, Section 1, hereof.

(6) "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot situated upon said Property, or a contract purchaser if the record owner retains title merely to secure an obligation. Owner does not include those having any interest merely as security for the performance of an obligation.

(7) "Property" or "The Property" shall mean and refer to the above described real property and such additions thereto

as may be hereafter brought within the jurisdiction of the Association by recorded declarations in the manner hereinafter set forth.

(8) "Roadway" means any street, road, path, bikeway or other thoroughfare as shown on the recorded plat of the Property.

ARTICLE II

SUBJECTING ADDITIONAL PROPERTY TO THIS DECLARATION

Section 1. Additions in Accord with General Plan:

At any time prior to January 1, 2010, Declarant shall have the right to bring within the scheme of this declaration additional properties if such additions are in accord with the general plan of development provided for herein.

Section 2. Method of Making Additions:

Additions authorized under this Article shall be made by filing of record a supplemental declaration of covenants and restrictions with respect to the additional property signed by Declarant. Such supplemental declaration may contain such additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property. In no event, however, shall such supplemental declaration revoke, modify, or add to the covenants established by this Declaration with respect to the above described property.

Section 3. Additions Not in Accord with the General Plan of Development:

Additions which are not in accord with the general plan

of development provided for herein may be made by the Declarant or any other owner of property, who with Declarant's consent desires to add such property to the scheme of this Declaration and to subject it to the jurisdiction of the Association, upon approval of the Association pursuant to a 75 percent majority vote of the votes entitled to be cast. In such event in addition to the supplemental declaration there will be recorded a statement evidencing the membership vote, which statement will be signed by the Secretary of the Association.

ARTICLE III

MEMBERSHIP AND VOTING

Section 1. Membership:

Every owner which is subject by covenants of record to assessment by the Association shall be a member of the Association. Membership shall terminate upon the transfer of a fee simple title to a lot or the contract purchaser's interest by a contract purchase.

Section 2. Voting Rights:

The Association shall have two classes of voting membership:

(a) Class A:

Class A members shall be all those members as defined in Section 1 with the exception of Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person or entity holds such interest or interests in any Lot

all such persons or entities shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot, except as provided in Article VIII, Section 8.

(b) Class B:

Class B members shall be the Declarant. The Class B members shall be entitled to two votes for each Lot in which it holds the interest required for membership by Section 1, provided that the Class B membership shall cease and become converted to Class A membership on December 31, 1989.

From and after December 31, 1989, the Class B members shall be deemed to be Class A members entitled to one vote for each Lot in which it holds the interest required for membership under Section 1.

Section 2. On or before June 16, 1989, or not later than 120 days after 75 percent of all Lots have been conveyed, whichever is ^{first} *April 010*, the Declarant shall call a meeting of all owners to be held within 45 days of said notice for the purpose of turning over administrative responsibility for the Association to the members.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Member's Easement of Enjoyment:

Every member of the Association shall have a right and easement of enjoyment in and to the Common Areas and Roadways. Such easement shall be appurtenant to and shall pass with the

title to every Lot; subject, however, to the following provisions:

(a) The right of the Directors of the Association to designate specific parking areas for each member and his or her guests.

(b) The right of the Association to dedicate or transfer all or any part of the Common Area or Roadways to any public agency, authority, or utility for such purposes and subject to such considerations as may be agreed to by the members. No such dedication shall be effective unless an instrument, signed by the Secretary of the Association evidencing the fact that at least 75 percent of the votes entitled to be cast have approved the transfer, has been recorded in the appropriate records of Deschutes County, Oregon.

(c) The right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use, from time to time, in the interest of securing maximum safe and equitable usage of such Common Areas and Roadways by the members of the Association and their business invitees.

Section 2. Title to the Common Areas:

The Declarant hereby covenants that it will convey to the Association title to the Common Areas and Roadways upon the conveyance of the first lot, subject to any necessary reservation of an easement or easements for utilities including but not limited to water, electricity recreation facilities, gas, sewage, telephone and television. The Declarant does not agree to construct any improvements on the Common Areas.

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ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENT

Section 1. Creation of the Lien and Personal
Obligation of Assessments:

The Declarant, for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract of purchase therefor, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay the Association:

- (a) Annual assessments or charges,
- (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Property which each such easement is made until paid or foreclosed. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the successor in title unless expressly assumed by the successor. The Secretary of the Association may file liens against delinquent properties by recording a notice of delinquency in the appropriate county records.

Section 2. Purpose and Amount of Annual Assessments:
Assessments may be levied by the Directors of the Association for the following purposes:

- (a) Street, road, path and bikeway maintenance.
- (b) Snow removal.
- (c) Insurance and fire protection.
- (d) Taxes.
- (e) Common Area Maintenance, including the maintenance of any recreational facilities located thereon.
- (f) Administrative expenses.
- (g) Collection costs.
- (h) Legal and accounting expenses.
- (i) Any other purpose declared appropriate by the Directors of the Association.

The Association shall establish a reserve account in order to accomplish the above purposes.

The first annual assessment will be levied in January 1985, and will not exceed \$17.50 per month per lot. The first annual assessment will remain in effect until January 1986. Thereafter the amount of the annual assessment will be determined by the Directors of the Association.

Section 3. Special Assessments for Capital Improvements:

In addition to the annual assessments specified above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, provided that except

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for repairs or replacements, any such assessment which exceeds \$2,500.00 in cost shall require the affirmative vote of a two-thirds majority of the votes entitled to be cast voting in person or by proxy at a meeting duly called for this purpose after 30 days' written notice. At the meeting the presence of members or of proxies entitled to cast 60 percent of all the votes shall constitute a quorum. If a quorum is not present in person or proxy, a new meeting may be called by the Directors.

Section 4. Uniform Rate of Assessment:

Both annual and special assessments shall be charged at a uniform rate for all Lots and such assessments may be collected on an annual, quarterly or monthly basis at the discretion of the Directors.

Section 5. Effect of Non-Payment of Assessments and Remedies of Association:

Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent per annum. The Secretary of the Association shall file in the office of the Director of Records, County Clerk or appropriate recorder of conveyances of Deschutes County, State of Oregon, within 30 days after delinquency, a statement of the amount of any such charges or assessments, together with interest as aforesaid, which have become delinquent with respect to any Lot on said Property, and upon payment in full thereof, shall execute and file a proper release of the lien securing the same. The aggregate amount of

such assessments, together with interest, costs, and expenses and a reasonable attorneys' fee for the filing and enforcement thereof, shall constitute a lien on the Lot, with interest to be fixed from the date the note of delinquency thereof is filed in the office of said Director of Records or County Clerk, or other appropriate recording office, until the same has been paid or released as herein provided. Such lien may be enforced by said Association in the manner provided by law with respect to liens upon real property. The Owner of said Property at the time said assessment is levied shall be personally liable for the expenses, costs, and disbursements, including reasonable attorneys' fees of the Declarant or of the Association, as the case may be, of processing and, if necessary, enforcing such liens, all of which expenses, costs, and disbursements and attorneys' fees shall be secured by said lien, including fees on appeal, and such Owner at the time such assessment is levied, shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his building, Lot, or building site.

Section 6. Subordination of the Lien to Mortgages:

The lien of the assessments provided for herein shall be inferior, junior, and subordinate to the lien of all mortgages and trust deeds now or hereafter placed upon said property or any part thereof. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage or trust deed, pursuant to a decree of

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foreclosure under this mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to amounts thereof which became due prior to such sale or transfer; and such lien shall attach to the net proceeds of sale, if any, remaining after such mortgages or other prior liens and charges have been satisfied. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI

RESTRICTIONS OF USE OF PROPERTY

Section 1. Age Restriction:

No Lot shall be owned or occupied by any person or persons or member of any person or person's family under the age of 40, provided, however, that this requirement shall not prevent any person from occupying such residence with his or her spouse if said spouse has not attained the age of 40 years, it being the intent of the Declarant to create a planned community for adults only. Visitors and guests of any person occupying a lot may visit for such durations of time as shall be authorized by the rules of the Association.

Section 2. Maintenance of Lots:

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.

Section 3. Type of Building:

No building other than a single family dwelling for pri-

vate use may be constructed on any lot. No mobile home or travel trailer may be used as a residence, as said terms are defined in the applicable Deschutes County Zoning Ordinance.

Section 4. Appearance:

All garbage, trash, cuttings, refuse, refuse or garbage containers, fuel tanks, clothes drying apparatus or lines, and other service facilities shall be screened from view from neighboring lots and common areas in a manner approved by the Architecture Review Committee.

Section 5. Signs:

No sign shall be placed or kept on a lot other than a sign 10" x 24" of a natural wood material with black lettering stating the name of the occupant and/or the lot, if any, and the address.

Section 6. Utilities:

No above-ground utilities, pipes or wires shall be used to connect improvements with supplying facilities.

Section 7. Offensive or Commercial Activities:

No offensive or commercial activity shall be carried on on 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, commons areas, or service areas within Starwood.

Section 8. Solar Access:

The Declarant intends to create a planned community emphasizing the advantages of solar heating. Therefore, the height of improvements or vegetation and trees on a lot shall not

materially restrict the solar access of other lot owners. The Architecture Review Committee shall be the sole judge of suitability of such heights. If the Architecture Review Committee determines there is such restriction in the solar access of other lot owners, written notice shall be delivered to the offending lot owner. If after 30 days the improvement, vegetation, or trees are not removed or reduced in height as directed by the Architecture Review Committee, the Association shall enter the offending lot, complete the removal or reduction, charging the owner of the lot the reasonable costs for the work done. This section is not to be read as justification to create solar access not present when the lot was originally purchased.

Section 9. Independent Water System Prohibited:

Independent water wells and systems are prohibited without the consent of the Association.

Section 10. Lighting:

No exterior lighting or noise making devices shall be installed or maintained on a unit without written Architecture Review Committee consent, and in no circumstances shall mercury vapor lights be permitted.

Section 11. Temporary Structures:

Only temporary structures which have been approved by the Architecture Review Committee shall be permitted on a lot during the period of construction of a dwelling house. However, any such temporary structure shall be removed within 30 days after completion of the dwelling house or within one year after

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the date upon which the temporary structure was erected, whichever occurs first. Persons may not reside on a lot during construction in these approved structures.

Section 12. Parking:

A minimum of two parking places must be provided for each lot and must meet the standards set by the Architecture Review Committee. The duration and extent of on street parking may be regulated by the rules of the Association.

Section 13. Recreational Vehicle Storage:

No recreational vehicle of any type shall be parked or stored on any lot except in an enclosed area, garage or screened carport approved by the Architecture Review Committee.

Section 14. Firearms:

No firearms shall be discharged within the property known as Starwood.

Section 15. Pets:

Only a reasonable number of household pets, which are not kept, bred or raised for commercial purposes, and are not a nuisance to others, will be permitted on any lot. Unless they are under the control of an owner or guest, pets shall be confined to their owner's lot.

ARTICLE VII

ARCHITECTURE COMMITTEE

So as to create a planned community designed to maintain an asthetically pleasing environment it is necessary to impose stringent requirements on the location, size, materials,

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color, design and landscaping of each structure placed upon any lot. To accommodate these objectives an Architectural Control Committee is hereby established.

Section 1. Function of Architecture Review Committee:

Generally, this committee will be responsible for the approval of plans and specifications for the development of lots and for the promulgation and enforcement of its rules and regulations governing the use and maintenance of lots and the improvements thereon.

Section 2. Members: Term and Removal:

The Architecture Review Committee shall consist of three persons appointed by Declarant. Members may be removed and replaced at any time by Declarant. The Association shall keep on file at its principal office a list of the names and addresses of the members of the Architecture Review Committee.

Section 3. Action:

Except as otherwise provided herein, any two members of the Architecture Review Committee shall have power to act on behalf of the Committee without the necessity of a meeting and without the necessity of consulting the remaining members of the Committee. The Committee may render its decisions only by written instrument setting forth the action taken by the members consenting thereto.

Section 4. Failure to Act:

If at any time the Architecture Review Committee shall for any reason fail to function, the Board of Directors of the Starwood Property Owners Association shall have complete

authority to serve as a pro tem Architecture Review Committee.

Section 5. Duties and Rules:

The Architecture Review Committee shall consider and act upon all matters properly submitted to it pursuant to this Declaration. In furtherance of this function, the Architecture Review Committee may, by unanimous vote, from time to time and in its sole discretion adopt, amend and repeal rules and regulations to be known as the "Architecture Review Committee Rules" establishing its operating procedures and interpreting, detailing and implementing the provisions of the instruments pursuant to which it is charged with responsibility. The Architecture Review Committee may establish a reasonable fee to be paid to it to cover its costs incurred in considering and acting upon matters submitted to it. A current copy of the Architecture Review Committee Rules shall be kept on file at the principal office of the Association at all times. Such rules shall have the same force and effect as if set forth herein.

Section 6. Nonwaiver:

Consent by the Architecture Review Committee to any matter proposed to it or within its jurisdiction shall not be deemed to constitute a precedent or waiver impairing its right to withhold approval as to any similar matter thereafter proposed or submitted to it for consent.

Section 7. Estoppel Certificate:

Within 30 days after written demand therefore by a lot owner the Architecture Review Committee shall execute and deliver to the lot owner requesting the same an estoppel certificate cer-

tifying with respect to the lot of such lot owner that as of the date of the certificate either (a) all improvements and other work within said lot comply with all restrictions and rules and regulations adopted in or pursuant to this Declaration, or (b) that such improvements and work do not so comply for reasons specified in the certificate. Any purchaser or mortgagee of a lot may rely on such certificate with respect to the matters set forth therein, such matters being conclusive against the Association and all lot owners in Starwood.

Section 8. Liabilities:

Neither the Architecture Review Committee nor any member thereof shall be liable to any lot owner or the Association for any damages, loss or prejudice suffered or claimed on account of any action or failure to act of the Committee or a member thereof, provided that only the member, in accordance with actual knowledge possessed by him, has acted in good faith.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement:

The Association, or any Owner, or the Owner of any recorded mortgage upon any part of said Property, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Owner, to enforce any covenant or restriction herein contained shall in no

event be deemed a waiver of the right to do so thereafter. If any Owner constructs or permits to be constructed on his Property any improvement or allows the conditions of his Property to violate any provision of this Declaration, the Association may no sooner than 60 days after delivery to such Owner of written notice of the violation enter upon the offending property and remove the cause of such violation, or alter, repair, or change the item which is in violation of such Declaration in such manner as to make it conform thereto with the reasonable cost of such action to be a charge against the Owner's land.

Section 2. Severability:

Invalidation of any one of these covenants or restrictions by judgment or Court order shall in nowise affect any other provisions which shall remain in full force and effect.

Section 3. Termination:

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of 20 years from the date this Declaration is recorded, after which time they will be automatically extended for successive periods of five years unless three-quarters of the Members of the Association affirmatively vote to terminate this Declaration. Such termination will be perfected by the Secretary of the Association filing a certification of the vote in the appropriate records of Deschutes County, Oregon.

Section 4. Amendments:

Any of the covenants, conditions or restrictions of this Declaration except the easements herein granted may be amended by a vote amounting to 75 percent of the total votes entitled to be cast. The Amendment will be perfected by the Secretary of the Association filing a certification of the vote in the appropriate records of Deschutes County, Oregon.

Section 5. No Right of Reversion:

Nothing herein contained in this Declaration, or in any form of deed which may be used by Declarant in selling said Property, or any part thereof, shall be deemed to revert or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions hereof.

Section 6. Books and Records:

The books and records of the Association, upon demand, in writing, stating the purpose thereof, may be inspected by any Member, or his attorney or agent, for any proper purpose, at any reasonable time.

Section 7. Benefit of Provisions; Waiver:

The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by Declarant, the Association, and the Owner or Owners of any portion of said Property, and their heirs and assigns, and each of their legal representatives, and failure by Declarant or by the Association or by any of the Property Owners or their legal representatives, heirs, successors, or assigns, to enforce any of such conditions,

restrictions or charges herein contained shall in no event be deemed a waiver of the right to do so.

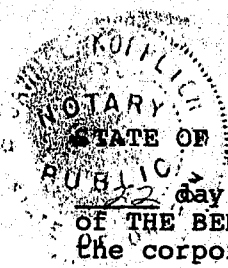
Section 8. Combining Lots or Portions Thereof:

To provide flexibility of design, construction and building capacity, one or more Lots or portions thereof may be combined, provided Declarant consents to such combination and records its written consent with the Secretary of the Association. If an Owner acquires an interest in only a contiguous portion of another Lot such that it is deemed an Owner thereof, then the Owner shall pay a pro-rata portion for the assessment of the lot so acquired, said proration to be made on the basis of area, and said Owner shall be entitled to a pro-rata portion of the vote entitled to be cast for such Lot, said proration to also be made on the basis of area.

IN WITNESS WHEREOF, the undersigned, the Owner of all said Property, has hereunto caused these presents to be executed this 22 day of March, 1984.

THE BERNARD CORPORATION

By Howard M. Smith, President
By Douglas Dickinson, Secretary-Treasurer



STATE OF Oregon, County of Deschutes: ss.

The foregoing instrument was acknowledged before me this 22 day of March, 1984, by Howard M. Smith, President and Douglas Dickinson, Secretary-Treasurer OF THE BERNARD CORPORATION, an Alaska corporation, on behalf of the corporation.

Robert L. Koppelman
Robert L. Koppelman
NOTARY PUBLIC FOR Oregon
My Commission Expires: Aug. 4, 1984

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18-388

Faint, mostly illegible text, likely the body of a legal instrument or deed.

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

1984 MAR 22 PM 3:28

MARY SUE PENHOLLOW
COUNTY CLERK

BY: *Phyllis Lusk* DEPUTY
NO. 84-4733 FEE 81-

DESCHUTES COUNTY OFFICIAL RECORDS

RECORDED
INDEXED
COUNTY OF DESCHUTES
OFFICE OF THE COUNTY CLERK
1984 MAR 22 PM 3:28
MARY SUE PENHOLLOW
COUNTY CLERK